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NATIONAL INDUSTRIAL CONFERENCE BOARD

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SPECIAL ARTICLES

REGULAR FEATURES

Management Record

May, 1956

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• In the Record •

JB—Insured or Vested Plan?

The question of which SUB plan is better—the insured or ie vested—is one that has already caused much discussion. nd it probably will raise even more heat once the Ford-type an begins paying benefits as of June 1.

From the employee's point of view the pertinent query is: 'hich plan will provide the greatest benefits? The employer mainly interested in what his type of SUB plan will ulti- ately cost.

As the article starting on the next page points out, the lan that will provide the largest benefits over the long run a specific employee will be determined primarily by the ability of the company and such other factors as the em- loyee's seniority status, the state UC provisions, wage rates, c.

For the employer, his appraisal must encompass both ie cost of his SUB plan and state UC. And, while the short- n situation may appear to favor one type of plan, potential osts must also be weighed. For a complete discussion of all iese problems, see "SUB—Insured or Vested Plan?"

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rike Strategy and Unemployment Compensation

Should a worker who is on strike be eligible to collect state iemployment compensation benefits? Although most all ie states have laws prohibiting this, many of them also have hat might be termed "escape clauses," which allow the riking worker, *under certain conditions*, to collect his UC enefits.

How do such provisions work? In what states are they und? And, perhaps most important, how do such clauses fect the strategy of the company and of the union in a rike situation? The story starting on page 161 investigates iese questions. And a full-page table gives the reader state- y-state information on the disqualification provisions for C benefits when a labor dispute is involved.

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he New Savings and Investment Plans

The search for security and an orderly plan of living takes any forms. And possibly the interest in the new savings id investment plans being set up by many companies has do with satisfying these basic human needs. For what ould be more orderly than regular saving by the payroll deduction method? And the added contributions made by the company may spell out real security for the employee when he retires.

This basic arrangement of regular employee savings plus specified company contributions is found in all savings and investment plans. However, the fifteen plans analyzed by The Conference Board differ in many other respects. How much an employee may save, the amount that the company contributes, how the funds are invested, when the plan pays off, withdrawals and vesting provisions are all discussed in detail. "The New Savings and Investment Plans" starts on page 164.

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Marks of the Good Worker

Merit rating, as a method of estimating how well an em- ployee is performing his work, has been in existence for a long time. But concepts of what should be included on a merit rating form have changed through the years—and are still changing.

As the article starting on page 168 points out, many ex- perts today believe that no item that can be measured objectively should be "rated" on a form. They argue that merit rating is most effective when used only to evaluate information that cannot be measured. However, this doesn't mean that these experts think objective material—such as punctuality or attendance—shouldn't be entered on the form at all. Such information not only helps the rater in his job, but it gives the company a more comprehensive picture of the employee who has been rated.

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Pay Adjustments Analyzed

Each month The Conference Board compiles press an- nouncements of wage and salary agreements. Staff specialists then write to the organization granting the adjustments. In this way, they confirm the agreement and in most cases obtain additional information. This service, which dates back a number of years, provides Associates with an up-to-the- minute "temperature chart" on current trends in wages and related benefits.

The analysis this month features a comparison of the latest month's figures with the first quarter's and with the 1955 adjustments. Some fifty agreements are covered in detail in the table starting on page 184.

SUB—Insured or Vested Plan?

Which provides greater benefits for the employee, which lower costs for the employer? The following analysis of the two types of plans indicates there is no easy answer to this complex question

THIS JUNE, for the first time, some employees of the automotive industry will probably find out what SUB means in dollars and cents terms. And it may come as a surprise.

During the past year, most companies that have a Ford-type SUB plan have made contributions into a general fund that has amounted to approximately $100 per employee. Come June 1, when payments are scheduled to begin, how much of this will the laid-off employee receive?

The employee laid off prior to May 1 will receive nothing from the company. If he's laid off June 1, SUB payments to an employee in Michigan (who earns $2.18 per hour and has three years of service and two dependents) would total about $32. If he were an employee in Florida, he'd get a total of $96.[1]

Experiences such as these among employees may well give rise to a re-evaluation of SUB. When SUB was first negotiated, the longer-service, more skilled employee questioned whether such a plan would pay off for him. And in June, even the shorter-service employee may be raising similar questions. How, for instance, would he fare under the individual-account plan? Under the glass plan formula, for example, the laid-off employee with $100 credited to his account would be eligible to draw the full $100 in layoff benefits. At first blush, and on a very short-run basis, the vested account plan seems to have a greater payoff for the employee. However, over a longer period, the situation may well be reversed.

Actually, the question of which is better—the vested or the insured type of plan—is a poser for the employee as well as the employer. And obviously, any evaluation based on what will happen in June can only be a near-sighted appraisal. Taking a longer view, there are advantages and disadvantages to both plans for the employer or the employee.

For the employee, chief considerations are the size and duration of benefits, the conditions under which he may receive them and the total benefit he may derive from the plan. For the employer, the main consideration revolves around the impact of the plan on the work force and its cost. And this latter element involves not only financing the plan but also the company's contributions toward financing the state's unemployment compensation scheme.

Consider the essentially different structures of the two types of plans. In essence, the Ford type of plan provides only supplements to state unemployment compensation, which the employee must be eligible to receive.[1] Such supplements are payable to the employee from a general fund to which the employer contributes. The employer's total contribution and maximum liability are limited to five cents per man-hour, or a lesser amount necessary to bring the fund

[1] Based on the fact that an employee with three years' service will be eligible for four weeks of company benefits. The thirteen credit units accumulated during the prior year and the trust fund position as of June 1 (roughly 25%) would dictate this.

[1] For complete details of the Ford plan, see "Ford's Unemployment Compensation Supplements," *Management Record* July, 1955 and "Financing the Ford Plan," *Management Record*, September, 1955.

Taxes and SUB

United States Treasury rulings already issued hold that for income tax purposes company contributions under both the Ford and glass-type plans may be deducted by the employer as "ordinary and necessary" business expenses. How these contributions from the employer and benefits to employees fare in other respects taxwise is not so clear cut. But a recent United States Treasury ruling has helped clarify these aspects of the glass plan: the money contributed to the individual's account under the glass plan constitutes additional—though undistributed—income at the time the contribution is made. As such, the company contribution is taxable as wages and subject to withholding; the contribution is also taxable for OASI and federal unemployment compensation purposes. Since the employee pays a tax when the contribution is made, the presumption is that benefits or withdrawals made by the employee are not taxed.

No similar United States Treasury rulings have been issued that indicate: whether company contributions into the general fund under a Ford-type plan are taxable for OASI or UC purposes; whether the employee must pay OASI or income taxes either on the company's contributions when they are made or the benefits when they are received.

Because of this, the accompanying article makes no effort to assess the difference in company costs or employee benefits that might result from differing tax considerations.

up to maximum funding. And once maximum funding has been reached, employer contributions cease.

The individual account or vested-type plan in essence provides the employee with deferred savings from which he can draw for a variety of circumstances, one of which is layoff. The employer's contributions to each employee's account amount to 5 cents per man-hour, with no provision for "maximum funding" or a reduction in company contributions.[1]

HOW THEY COMPARE FOR THE EMPLOYEE[2]

The maximum company payment to a laid-off employee under a Ford-type plan is $25 for twenty-six weeks, or a total of $650. If the company has had excellent employment experience, with few layoffs, this can occur after four years. Under a glass-type vested plan, for layoffs only, the maximum payment would be $600. On the basis of the 2,000-hour workyear, this could occur after six years. Using the glass plan's formula of a 10% weekly benefit with a $30 maximum and $15 minimum weekly payment, the $600 account gives twenty-seven weeks of benefits—the first eleven at $30, the remaining sixteen at diminishing amounts. (The average payment is $22.22 over the twenty-seven-week period.) However, the laid-off employee under the glass plan could receive this amount regardless of how many other employees had been laid off. The Ford plan could not pay the $650 per employee if prior layoffs had placed such a drain on the fund that maximum funding could not be reached. In other words, the amount and duration of benefits for an employee under a Ford-type plan is determined by how much other laid-off employees have already drawn from the fund.

Under most circumstances, the shorter-service employee is more likely to be laid off than the longer-service employee. With the full protection of seniority, the longer-service employee may never have occasion to draw on the fund for layoff payments. This means, in effect, that contributions made to the fund in his behalf go to finance layoff payments for the shorter-service employees.

Variations in Benefits Among States

Under the Ford-type plan, not only is the benefit to any employee affected by the layoff experience of others, but it is also affected by unemployment compensation payments from the state to the laid-off employee. The *total payment* to a laid-off employee from both the state and the company will be the same regardless of what state the employee works in. But, as already shown, the employee laid off in Florida will receive a larger company supplement than the employee laid off in Michigan. Thus, in a state with high unemployment compensation, the company supplements to an employee will be far less than in a state with low unemployment compensation. And so, in a sense, the contributions in behalf of a Michigan employee go to finance the higher payments to the Florida employee.

Under the glass plan, the amount paid to an employee will not be affected by the unemployment compensation payments he receives. An employee with an adequate account will get $30 whether his UC receipts are $20 or $40. Conversely, the total amounts employees will receive will be different in different states.

Pay Differentials while on Layoff

The total pay to a laid-off employee from both unemployment compensation and the company supplement is expressed as a percentage of take-home pay under a Ford-type plan. Thus, the differential between the take-home pay of higher- and lower-rated employees is maintained while they are on layoff. The only exception would be in the case of the very highly rated employee, who would be affected by the $25 ceiling on company supplements.

Under the glass-type plan, withdrawals while on layoff are geared to the amount of money available in the individual's account rather than to a percentage of his pay while working. So pay differentials would not be maintained for laid-off employees. But just how much the differential would be narrowed would depend upon maximum unemployment compensation payments and dependency allowances in the various states. For example, in Michigan, a single worker earning $1.75 per hour for a forty-hour week would have a take-home pay of $58.10. State UC for him would amount to $29. If he had $400 in his individual account, he could add up to $30 a week to get a maximum total pay of $59 while on layoff. The employee earning $2.18 per hour would get $72.25 in take-home for a forty-hour week. State unemployment compensation for him would amount to $30. And total layoff pay would equal $60, assuming he drew the maximum amount from his account.

In Ohio, unemployment compensation for both the employees mentioned above would amount to $33. The total layoff pay for both would be $63—again assuming $30 withdrawals from the individual accounts—even though one had been earning considerably more than the other.

[1] For details of vested-type plans, see "The Glass Companies' and Related Layoff Benefit Plans," *Management Record*, November, 1955.

[2] For purposes of analysis, attention is focused on the glass-type plan because it has received the most publicity as a vested plan. However, the reader must bear in mind that provisions vary among these vested plans regarding the size of the benefits while laid off; whether benefits are additional or supplemental to any UC the employee may receive; the relationship of benefits to regular pay; and the circumstances under which withdrawals can be made. The essential features of all vested plans are (1) full vesting of the individual's account, (2) the fact that the employee need not be eligible for UC in order to draw layoff benefits and (3) company contributions do not cease.

Relationship to Take-Home Pay

Under a Ford-type plan, the employee's total income while laid off cannot exceed 65% of his take-home pay. Under a glass-type plan, total income while laid off could exceed 100% of normal take-home pay for some low-rated employees. In the example cited above, a Michigan or Ohio employee who is single and earns $70 may receive $59 while laid off, compared to normal take-home pay of $58.10. Layoff income for the higher-rated employee who earns $87 per week would be approximately 85% of normal take-home pay. And for the unmarried employee earning $3.43 per hour, maximum layoff pay would approximate 55% of take-home.

All these figures, of course, assume the employee is withdrawing the $30 maximum from his account as well as receiving the maximum UC allowed. If only $15 were being drawn, the percentages in terms of take-home pay would drop to 80% for the $1.75-per-hour employee, 63% for the $2.18-per-hour employee, and 40% for the employee earning $3.43 per hour.

In looking at the percentages available under the two types of plans, it must be recalled that hourly earnings in the auto industry at the close of 1955 averaged about $2.35 per hour, while hourly earnings in the flat-glass industry were much higher at this time, averaging about $2.80 per hour.

Eligibility for Benefits

Under a glass-type plan, the laid-off employee need not be eligible for unemployment compensation to draw benefits. Also he may draw benefits from his account if he is sick. And if he leaves the company for any reason at all, any balance in his account goes to him.

Under a Ford-type plan, supplements are paid only if an employee is laid off and declared eligible for unemployment compensation. Critics of the Ford-type plan state this a little differently. They say: only by being laid off can an employee under a Ford-type plan get back any money put into the general fund.

Comparative Balance Sheet

For the employee, both plans can be viewed as alternatives to a 5-cent per hour wage increase. In the case of the glass plan this is quite clear. And the Ford contract clearly stipulates that should the plan be terminated, the disposition of the company's SUB contribution will be subject to negotiation. And failing agreement, the 5-cent per man-hour contribution will be converted to an across-the-board increase of 5 cents per hour.

So the employee can look at the plan as an investment of 5 cents per hour and judge the returns on this basis.

Since maximum funding under most Ford-type plans amounts to $400 per employee, and the potential maximum benefit during any one layoff is $650 per employee, it is obvious that some employees stand to receive more than a 100% return, while others will get less or possibly nothing. Of course, this situation is inherent, and obviously necessary, in any pooling-of-funds or insurance approach. In this case, however, while all employees, in effect, make an equal contribution (they have all forgone a 5-cent wage increase in order to get the SUB plan), all employees do not share an equal risk of layoff nor the possibility of equal company benefits should they be laid off. From the foregoing, it is apparent that the employees who stand to gain the most are (1) those in states with low unemployment compensation benefits and (2) the shorter-service employees who are more likely to be laid off.

Under a glass-type plan with individual accounts, total layoff benefits may be more or less than under the Ford-type plan. But the total return to each employee must equal the 5 cents per hour put aside for him.

Therefore, the plan that will serve the employee best, from his point of view, hinges largely upon the relative stability of the company he works for and its incidence of layoff, the amount of state unemployment benefits he can receive and his wage rate and seniority.

HOW THEY COMPARE FOR THE EMPLOYER

For the employer, a point worth considering is the maintenance of incentive to work. Will employees who are given a greater income during a layoff tend to malinger? But more important to some employers is another question: Will the long-service and often more skilled employee, whom the employer wants to keep on, seek a layoff in order to draw benefits?

Critics of the Ford plan have indicated that both are possible consequences of the higher benefits that an employee may receive while on layoff. Others have pointed out, however, that a drop of 35% in take-home pay represents a real squeeze to most employees and provides little incentive to stay unemployed, let alone seek unemployment. The employee's willingness to accept other employment while laid off might be affected—particularly in areas where layoff pay of 65% or 60% of take-home is comparable to 80% of pay for other employment in the area. But even here, it has been suggested, employers are loath to hire employees who are on temporary layoff waiting for recall.

Similar criticism regarding incentive to malinger has not been levelled against the individual-account type of plan. It has been asserted that the employee would not prolong or seek layoff, and that he would

(Continued on page 177)

Strike Strategy and Unemployment Compensation

ALMOST ALL the forty-eight states have laws that declare striking workers ineligible for unemployment compensation benefits. However, many of these states also have what might be termed "escape clauses." And these, in effect, allow employees of struck plants, *under certain circumstances,* to collect UC benefits.

Obviously, the payment of these benefits to workers involved in a strike could greatly affect the strike strategy of both union leaders and employers. Consider the following three types of unemployment compensation provisions, found in various states, that govern employees involved in labor disputes:

- In two states, strikers can receive unemployment compensation after they have been on strike a specified period of time.
- In twelve states, strikers can receive unemployment compensation if state authorities deem the employer guilty of a lockout, a contract violation, or violation of the state's labor law.
- In the majority of states, employees of a struck company who are members of unions other than the striking union can receive unemployment compensation if state authorities rule that the *employer laid off these union members during the strike.*

These three types of provisions will be considered in some detail here.

UC Money Paid to Strikers as Strikers

New York and Rhode Island are the two states whose laws provide that strikers may receive unemployment compensation after a specified period of time. In New York, for instance, strikers are entitled to UC benefits after eight weeks; in Rhode Island they may receive benefits after six weeks.

It is fairly obvious that the payment of unemployment compensation to strikers can greatly affect strike strategy by enhancing the union's ability to hold out during a long strike. Also, at various stages of the strike it may affect both the company's and the union's attitudes toward compromising on their original demands.

A union in New York, for example, will probably be more apt to compromise during the first few weeks of a strike than after the eighth week. For in the early period, the union negotiators know that unemployment compensation help is far off, and the strike is solely dependent on the resources of the union and its members. After the eighth week, however, the strikers are assured of up to $36 a week; and the union negotiators may then feel that time is running in their favor and against the employer. Because of this, they may be more inclined to return to their original demands as the price for a settlement.

A company's attitude, on the other hand, may be just the reverse. In the early weeks of a strike, when time is on their side, they may be less willing to compromise on their position than later on when striking workers are receiving some income from UC benefits.

UC Paid Because of Employer's Actions

Unemployment compensation authorities may grant payments to strikers in twelve states if they decide that the employer is guilty of certain actions that are spelled out in state laws. In nine states, an employer lockout is a proscribed action; in three states, the employer's failure to conform to the contract rules out UC disqualification; and in four states, the employer's failure to conform to the state's labor law is proscribed. (These states are identified in the accompanying table.)

Proscribed actions may occur at any time before or during a strike. In the Westinghouse strike, for example, the Commonwealth of Pennsylvania ruled that the strikers were, in effect, locked out because the employer refused to take them back *pending arbitration of contract terms* as proposed by the governor. The strike started on October 17; the governor's arbitration proposal was made on December 19; and Pennsylvania's executive director of the Bureau of Employment Security ruled that, as of December 27, strikers were to receive unemployment compensation.

UC Paid to Members of Sister Unions

Some states may pay unemployment compensation to employees of a struck multiunion plant who are members of other than the striking union. These payments are made to members of sister unions if state authorities rule that the *employer laid off these union members during the strike.*

Thus, in these states, a strategically located union with relatively few members could strike a multiunion

Disqualification Provisions, by State, for Unemployment Compensation Due to Labor Disputes

State	Duration of Disqualification: During Stoppage of Work Due to Dispute (34 states)	Duration of Disqualification: While Dispute Is in Active Progress (12 states)	Duration of Disqualification: Other (5 states)	No Disqualification if Dispute Is Due to: Employer's Failure to Conform to: Contract (3 states)	No Disqualification if Dispute Is Due to: Employer's Failure to Conform to: Labor Law (4 states)	No Disqualification if Dispute Is Due to: Lockout (9 states)	Individuals Are Not Disqualified if Neither They Nor Any of the Same Grade or Class Are: Participating in Dispute (42 states)	Individuals Are Not Disqualified if Neither They Nor Any of the Same Grade or Class Are: Financing Dispute (31 states)	Individuals Are Not Disqualified if Neither They Nor Any of the Same Grade or Class Are: Directly Interested in Dispute (41 states)
Alabama	—	X	—	—	—	—	—	—	—
Alaska	X	—	—	—	—	—	X	—	X
Arizona	—	—	X[1]	X	X	—	X	X	X
Arkansas	X	—	—	X	X	X	X	—	X
California	—	X	—	—	—	—	—	—	—
Colorado	X	—	—	—	—	—	X	X	X
Connecticut	—	—	X[1]	—	—	X	X	X	X
Delaware	X	—	—	—	—	—	—	—	—
Dist. of Columbia	—	X	—	—	—	—	X	—	X
Florida	—	X	—	—	—	—	X	X	X
Georgia	X	—	—	—	—	—	X	X	X
Hawaii	X	—	—	—	—	—	X	—	X
Idaho	X	—	—	—	—	—	X	X[2]	X
Illinois	X	—	—	—	—	—	X	X	X
Indiana	X	—	—	—	—	—	X	X	X
Iowa	X	—	—	—	—	—	X	X	X
Kansas	X	—	—	—	—	—	X	X	X
Kentucky	—	X	—	—	—	X	—	—	—
Louisiana	—	X	—	—	—	—	X[2]	—	X[2]
Maine	X	—	—	—	—	—	X	X	X
Maryland	X	—	—	—	—	—	X	X	X
Massachusetts	X[3]	—	—	—	—	—	X	X	X
Michigan	X	—	—	—	—	—	X[2]	X[2]	X[2]
Minnesota	—	X	—	—	—	X	—	—	—
Mississippi	X	—	—	—	—	X	X	—	X
Missouri	X	—	—	—	—	—	X	X	X
Montana	X	—	—	—	X	—	X	X	X
Nebraska	X	—	—	—	—	—	X	X	X
Nevada	—	X	—	—	—	—	X	X	X
New Hampshire	X	—	—	X	—	X	X	X	X
New Jersey	X	—	—	—	—	—	X	X	X
New Mexico	X	—	—	—	—	—	X	—	X
New York	—	—	X[4]	—	—	—	—	—	—
North Carolina	X	—	—	—	—	—	X	X	X
North Dakota	X	—	—	—	—	—	X	—	X
Ohio	—	—	X	—	—	X	—	—	—
Oklahoma	X	—	—	—	—	—	X	—	X
Oregon	—	X	—	—	—	—	X	X	X
Pennsylvania	X	—	—	—	—	X	X	—	X
Rhode Island	—	—	X[4]	—	—	—	X[2]	X[2]	X[2]
South Carolina	—	X	—	—	—	—	X	X[2]	X
South Dakota	X	—	—	—	—	—	X	X	X
Tennessee	—	X	—	—	—	—	X	—	—
Texas	X[6]	—	—	—	—	—	X[6]	X[6]	X[6]
Utah	X	—	—	—	X	—	—	—	—
Vermont	X	—	—	—	—	—	X[2]	X[2]	X[2]
Virginia	X	—	—	—	—	—	X	X	X
Washington	X	—	—	—	—	—	X	X	X
West Virginia	X	—	—	[5]	—	X	X	X	X
Wisconsin	—	X	—	—	—	—	—	—	—
Wyoming	X	—	—	—	—	—	X	X	X

[1] So long as unemployment is due to existence of labor dispute.

[2] Applies only to individual, not to others of same grade or class.

[3] Disqualification is not applicable if claimant obtains employment with a subject employer and is paid wages of at least $500. However, the base-period wages earned from the employer involved in the labor dispute cannot be used to pay benefits during such labor dispute.

[4] Fixed period; seven consecutive weeks and a one-week waiting period or until termination of the dispute (New York); six weeks and a waiting period (Rhode Island).

[5] Disqualification is not applicable if employees are required to accept wages, hours or other conditions substantially less favorable than those prevailing in the locality or are denied the right of collective bargaining.

[6] So long as claimant's unemployment is due to the labor dispute. However, failure or refusal to cross picket lines or to accept and perform his available and customary work in the establishment constitutes participation and interest, and thus disqualifies him.

Source: Bureau of Employment Security, Department of Labor.

plant and shut down the entire operation. This might mean that all the employees who were members of other unions would be eligible for benefits. Then, the month after, another strategically located union could strike and repeat the process, thus making UC payments available to the employees who struck the plant the previous month.

Whether such union strategy would work is largely a matter of the individual state laws and their interpretation. California and Texas, for example, disqualify for unemployment compensation only those individuals who actively participate in the strike. In Texas, however, if the UC claimant refuses to cross the picket line or to do his customary work he is automatically disqualified. But, Kentucky, Minnesota, Ohio, and Wisconsin disqualify for UC payments all those workers whom the dispute caused to lose or leave their employment.

Other states and territories provide that individual workers are not disqualified from receiving UC if they and others of the same grade and class are not participating in the strike (forty-two states); financing it (thirty-one states); or directly interested in it (forty-one states). Only Alabama, Delaware and New York[1] do not have an "escape clause" in their laws that may permit individuals not directly on strike to receive UC benefits.[2]

Union strategy in states that permit payment of unemployment compensation to employees not directly on strike is, in some cases, to get the employer in a multiunion plant to *lay off* the nonstriking union workers at the commencement of the strike. And it is the wording of the employer's notice to employees before the strike that may determine whether the union succeeds in this strategy. If the employer notifies nonstriking members of other unions not to report to work when the strike starts, he may, in effect, be laying off the men and thereby playing into the union's hands. But if the employer notifies all his employees to report to work as usual, the nonstriking union workers will have to cross the striking union's picket line. And, if they refuse to do this, these nonstrikers, in effect, become sympathy strikers, and are then ineligible for unemployment compensation.

The strategy of union leaders in meeting this employer countermove is to order all union members, except those in the striking union, to go through the picket line. They figure that since the struck plant is shut down completely, the employer will be unable to carry the burden of a large nonworking force for very long, and soon he will have to lay them off. Then, in a number of states, these union members may be entitled to receive unemployment compensation.

The difficulty with this maneuver, say union leaders, is that it is only in a superdisciplined union that all members will ignore a picket line, even when they are so ordered. Generally, they say, some members refuse to cross the line. And this automatically precipitates a sympathy strike and spoils the union's carefully laid plans to secure unemployment compensation for union members.

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[1] In New York, as previously stated, striking workers become eligible for unemployment compensation after they have been on strike for eight weeks.

[2] *Comparison of State Unemployment Insurance Laws as of August, 1955,* United States Department of Labor, Bureau of Employment Security, Unemployment Insurance Service, Division of Determination and Hearings.

Management Bookshelf

Problems of the Independent Businessman—A casebook on executive development featuring twenty-eight case histories of a wide variety of small companies. Eight of the cases deal with the problems of setting up and managing retail trade businesses, such as grocery stores, restaurants, apparel stores, gift shops, filling stations, fuel dealerships, and appliance stores. Four concern the problems of wholesale distributors, and three are devoted to the management of service industries, such as hotels, laundries, and counseling services. Also included are cases involving small manufacturing and processing industries, mining, residential construction, trucking, finance, insurance and real estate. In dealing with small companies, the cases provide a bird's eye view of such top-level problems as budgeting, financial analysis, investigation, forecasting and control. The cases are supported by indexes and tables and are well documented by specific, though disguised, references to names, titles and statistics. *By Austin Grimshaw, McGraw-Hill Book Company, Inc., New York, New York, 1955, 403 pp., $6.50*

The Golden Book of Management—An historical account of the evolution of scientific management as developed during the lives of seventy pioneers in the field—from James Watt, Jr., and his partner, Matthew Boulton, in the late 18th century to Henry Pasdermadjian of the 20th century. Among the Americans included are: Frederick A. Halsey, Frederick W. Taylor, Dexter S. Kimball, Frank B. Gilbreth, Louis D. Brandeis and James O. McKinsey. A brief description of the contribution to scientific management and the life history and selected publications of each pioneer are presented. *Edited by L. F. Urwick for the International Committee of Scientific Management, Newman Neame, Ltd., 50 Fitzroy Street, London W. 1, England, 1956, 285 pp., 35s. ($6.50)*

The New Savings and Investment Plans

An analysis of fifteen current plans provides information on how they operate and why companies find them useful

A NEW TYPE of employee thrift plan is creating much interest in industry. Although these plans are known by a number of different names, such as savings and stock bonus plans, thrift plans, and savings and investment plans, the last mentioned seems to describe them most accurately.[1]

These plans provide for employee savings through payroll deductions, and the company also contributes according to a definite formula. The funds are deposited in an irrevocable trust administered by a bank or trust company. And the employer's share is allocated among the employees' accounts in some ratio to their savings.

As a rule, these plans provide for the purchase of the employer's common stock. However, in a number of cases, only the company's share is so invested, while the employee's contributions are invested in government bonds or other securities.

It is often difficult to distinguish between these plans and the older stock-purchase plans. But the savings and investment plans have certain elements which differentiate them from the usual type of stock-ownership plan. These are:

- Savings and investment plans are of a continuing nature. The ordinary stock-purchase arrangement offers a certain number of shares at irregular intervals or perhaps only once.

- Instead of subscribing for a certain number of shares to be paid for within a specified time, the employee builds up a fund through regular contributions. When sufficient money is accumulated in the fund, the trustee purchases the stock or bond for the employee.

- The company contributes to the fund. Under a regular stock purchase plan there are no direct company contributions, although some plans offer stock at less than market price.

- Until the stock is actually delivered to the employee, he may withdraw from the plan at any time and get back at least as much money as he has put into the fund.

- The company is not in the position of directly selling its stock to its employees. The trustee who is appointed under the plan usually buys the stock for the employee in the open market at the current market price.

The reasons for adopting these savings and investment plans are varied. But the most frequently given is the desire to promote the habit of thrift among employees by offering facilities for painless saving through the payroll-deduction method. Another equally important reason is the added economic security which these savings afford the employee, particularly at the time of retirement.

Inasmuch as at least part of the funds are invested in common stock, the savings and investment plan is looked upon as a hedge against inflation. As long as the country continues to be prosperous, the employee shares in this prosperity by owning common stocks the earnings of which reflect the flourishing condition of the country.

The savings and investment plan also is looked upon as a means of making the employee a shareholder, with

Scope of the Survey

This article is based on the plans of fifteen companies. All these plans have been adopted during the past two years. The present survey supplements the study of eighteen such plans made by THE CONFERENCE BOARD in 1953.[1] A third of these plans are in companies with less than 5,000 employees; another third are in establishments with 5,000 but less than 10,000 employees; while the remaining third are in concerns with more than 10,000 employees. In the 1953 survey, all but five of the eighteen plans were in establishments with 10,000 employees and over.

Thrift plans were highly concentrated within the petroleum industry in the Board's 1953 survey. The situation is now somewhat changed; only four of the fifteen new plans are in the oil industry. Other industries represented are machinery, chemicals, automotive, and paper (two companies each); and beverages, mercantile, and banking (one company each).

[1] "Employee Savings and Investment Plans," *Studies in Personnel Policy*, No. 133, 1953.

[1] For details of recent savings and investment plans, see the following issues of the *Management Record:* June, 1954, p. 241, the Union Oil Company of California; August, 1955, p. 330, E. I. du Pont de Nemours & Company, and Standard Oil Company (Indiana); March, 1956, p. 99, General Motors Corporation and Richfield Oil Corporation; April, 1956, p. 141, Ford Motor Company.

the idea that he will identify himself more closely with the company and consider himself a partner in the enterprise.

ELIGIBILITY REQUIREMENTS

Eleven of the fifteen savings and investment plans analyzed by the Board are open to all employees who fulfill basic service and/or age requirements. Two plans are available only to salaried employees—the Ford Motor Company's and the General Motors Corporation's plans. Ford offered a somewhat similar plan to its union employees in lieu of unemployment compensation supplements. The union, however, rejected the company's offer, and obtained a supplementary unemployment benefits plan.

Table 1: Amount of Employee Savings

Amount of Pay	*No. of Companies*
1, 2 or 3%	1
1, 2, 3, 4 or 5%	1
2%	1
2, 3 or 4%	1[a]
2, 4 or 6%	2[b]
2 to 5%	1
2, 3, 4 or 5%	1[c]
2.5 to 5%	1
Up to 3%	1
Up to 5%	2
Up to 10%	2
$12.50, $18.75, $25, $31.25 or $37.50 per month	1
Total	15

[a] When employee has completed twenty years of service, he may increase his contributions to 8%.
[b] Amount of contribution depends on age in one company. It is set up as follows: 2% under age thirty-one; 3%, age thirty-one but under forty-one; 4%, forty-one years of age and over.
[c] Amount of contribution depends on age as follows: 2%, age twenty-nine or younger; 3%, age thirty to thirty-nine; 4%, age forty to forty-nine; 5%, age fifty and older.

One company that opens its plan to all employees has nevertheless seen fit to provide certain safeguards concerning unionized employees. Its plan states:

> "Employees who are members of a bargaining unit which has in effect a collective bargaining agreement with the employer-company will be eligible to subscribe to the plan only after the union which represents the bargaining unit has executed an agreement . . . relinquishing and waiving any and all of the rights it may have as bargaining representative to discuss, consider, bargain or negotiate the installation of or any of the terms and conditions of the plan, amendments or changes thereto. . . ."

Another plan states that employees who are eligible for pensions "under some other program not established by the company but to which it now contributes" may not participate in the plan.

Age and Service Requirements

All but one of the thrift plans require that the individual be employed for a specified period before he is eligible to participate in the program. The service requirements range from six months in one company to five years in another; but the majority (nine companies) specify a service requirement of one year.

Four plans also have an age requirement. Under the plan of one company, employees who are thirty or over are eligible after completion of one year's service; but five years' service is required if the employee is less than thirty. The other three companies have an age requirement of twenty-one, twenty-five and thirty, respectively.

Table 2: Dollar Minimums and Maximums for Employee Savings

Minimums and Maximums	*No. of Companies*
Dollar Minimums	
None	9
$2 mo.	2
$5 mo.	2
$1 week	1
$12.50 mo.	1
Total	15
Dollar Maximums	
None	11
$37.50 mo.	1
$50 mo.	2
$2,000 year	1
Total	15

EMPLOYEE SAVINGS

The prime objective of the savings and investment plan, as has been indicated, is to induce employees to save systematically. To make it easy for the employee to accumulate a reserve, the plan provides for payroll deduction of his savings. All these plans are on a voluntary basis; if the employee does not wish to join he is under no obligation to do so. But if he fails to participate, he loses out on the company's contribution, which may be quite generous.

The amount an employee may allot for the savings plan is expressed as a percentage of pay in all but one of the fifteen plans. And all of them place some limitation on the amount the employee may contribute. Usually he is given several choices as to how much he may save (see Table 1). Under most plans, the minimum ranges from 1% to 2% and the maximum from 5% to 6%.

Two paper companies graduate the amount of savings on the basis of age (see footnotes *b* and *c*, Table 1). The plan of the Ohio Oil Company permits the employee to elect to save 2%, 4% or 6% of his pay; but when the individual has completed twenty or more years of service, he may increase his contribution to 8% of pay.

Comparatively few plans impose either a dollar minimum or maximum. (See Table 2.) But an example of one that does is the Ford plan, which limits employee contributions to $2,000 a year. E. I. du

Pont Company gives the employee the choice of the following monthly contributions: \$12.50, \$18.75, \$25, \$31.25 or \$37.50.

Both the Ford and General Motors plans permit employees to contribute up to 10% of their pay. The GM plan also contains the provision that if the employee is saving less than this, he may increase his savings up to the maximum at any time during the year, either through additional payroll deductions or by cash. Under most of the plans studied, however, cash payments to the fund are prohibited.

Since, in most plans, an employee's contribution is stated as a percentage of his "compensation," it is obviously important to know how compensation is defined for the purposes of the plan. There is no clear-cut majority opinion about this among the companies studied. About a third of the plans use the employee's gross pay as the base. Another third exclude overtime and bonus payments, while the remaining plans exclude all extra payments, such as shift differentials, suggestion awards, military pay, travel pay, and automobile allowances as well as the aforementioned bonuses and overtime.

Most of the plans permit the employee to change his rate of savings. Four specify that such changes can be made only at quarterly intervals; two only permit changes semiannually; and four, once a year. The other five plans make no mention of this. Also, where a limitation is placed upon the number of times an employee may change his rate of contributions, specified dates are usually given—for example, the first day of April, July, October and January.

Suspension of Contributions

There are two general types of suspensions. The first is automatic. It occurs when the employee has insufficient pay to permit the deductions, as a result of illness, layoff, leave of absence, or similar reasons. A suspension of this type carries no penalty. The employee remains in good standing and his participation is not considered interrupted for vesting purposes, although the company's contribution is suspended for the same period as the employee's.

All but one of the plans also permit participants to suspend their savings voluntarily from time to time. These voluntary suspensions are usually quite restricted as to frequency and have both a maximum and minimum duration. Under most of these plans, voluntary suspensions entail rather heavy penalties in the form of interrupted vesting, a period of ineligibility following the suspension, or both, as shown in Table 3.

COMPANY CONTRIBUTIONS

One of the chief characteristics of these savings and investment plans is that at regular intervals the company deposits a sum of money in the fund which bears some relationship to the employee's regular contributions. Nine companies, or the majority, contribute from 25% to 100% of the employees' savings (see Table 4). One company gives a bonus of one share of company common stock for every five shares purchased by the employee.

Five companies base the amount of their contributions on company profits. In these cases, it is often difficult to distinguish such savings plans from some of the regular, contributory profit-sharing plans. Both provide for periodic saving by the employee and employer contributions based on profits. However, in the savings and investment plans the idea of profit sharing is not stressed. Rather, it is simply the means of determining the amount of the employer's contributions.

Where profits determine employer contributions, the contribution will fluctuate with the prosperity of the company and cease altogether when there are no profits. But under the savings and investment plans that compute the employer's share as a percentage of the employees' savings, contributions continue as long as the plan operates, regardless of business conditions. The company, of course, reserves the right to modify or discontinue the plan.

Even in the plans that base the employer's contributions on profits, the contributions are allocated to an individual's account in the same ratio that his savings bear to the aggregate savings of all participants. Only one of the plans bases employer contributions on length of service as well as on the employee's savings. And this plan, which uses profits to determine the

Table 3: Suspension Rights

Limitations on Suspensions	*No. of Companies*
May not suspend	1
May suspend—no limitations	3
May suspend—limits not specified	4
May suspend indefinitely but: Must wait 6 months to resume	1
Money returned if not resumed in two years	1
May suspend for 6-month period	1
May suspend for not less than 30 days nor more than 60 in a 12-month period	1
May suspend for not less than 3 months nor more than 12 in a 12-month period	1
May suspend for not less than 3 months	1
May suspend for not less than 3 months. If suspend more than once in a year or more than 12 months in 5 years, may not resume for a year	1
Total	15

amount of the employer's contribution, distributes the money on the following basis:

Years of Service	*Units*
Under 2 years	1
2 but less than 5 years	1½
5 years and over	2
55 years of age or over, and 15 or more years of service	4

This company's contributions are distributed among the participants in ratio to their deposits, weighted by both the service and age factors.

INVESTMENT OF FUNDS

While the savings and investment plan has been adopted to inculcate the habit of thrift among employees, it also has another major objective—the ownership of stock. It is believed that by becoming a shareholder, the employee will be more keenly aware of his stake in the free enterprise system. And, by owning his employer's stock, his relationship with the company will be closer. Accordingly, all these plans have as one of their features the ownership of the common stock of the employing company. This may be accomplished by using only company contributions to purchase stock or it may be done by using employee savings as well.

Table 4: Employer Contributions

Employer Contributions		*No. of Companies*
As percentage of employee savings:		
25%		4
50%		4
100%		1
As share of profits:		
1% on earnings of $10 million to 6% of $60 million		1
10% of net earnings up to $800,000; 20% of excess (before taxes)		1
5% of 1st $250,000 6% of next $250,000 7% of next $250,000 8% of next $250,000 9% of next $500,000 10% of all earnings over $1.5 million (Net income after deducting 8% of net worth)		1
3% of annual operating profits before taxes; maximum, twice total contributions of all members		1
% of profits to invested capital:	Co. contribution as % of employee contribution:	
under 11%	50	
11 less than 12%	55	
12 less than 13%	60	
13 less than 14%	65	
14 less than 15%	70	
15% and over	75	1
As stock bonus:		
1 share of stock for every 5 shares purchased by employee		1
Total		15

Table 5: Investment Policies for Employee Savings and Company Contributions

Investment Policy		*No. of Companies*
Employees' deposits		
Employee has no control over funds invested	6	
Only in common stock of company		3
Only in United States Government securities		2
Half in government securities; half in company stock		1
Employee directs investment, within limits	6	
Government bonds or common stock, but not company stock		1
Government bonds, company common stock, investment company shares or cash		1
Company common stock or government bonds		1
Government bonds, securities selected by trustee, but not company stock		1
Interest bearing securities, common or preferred stock, all common stock, life insurance and annuities. No company stock		1
Half in government bonds and half in company stock, or all in company stock		1
Trustee determines investment	2	
Not specified	1	
Total	15	
Company contributions		
Invested in company stock	9	
Employee selects investments within specified limits	3	
Trustee determines investment	2	
Not specified	1	
Total	15	

Investment of Employees' Deposits

Two of the fifteen plans provide that only common stock of the employer may be purchased with the contributions of both the company and the employee. But most of the plans have different investment policies for employees' funds than for the contributions of the company. In six companies, the employee is given no choice as to the manner in which his funds are invested (see Table 5). In another six, he can direct the investment of his funds within the limitations specified by the plan.

For example, in a petroleum company, the employee can direct the investment of his own allotments and of the company's through four different channels: Option A—United States Government securities; Option B—Common stock of employer; Option C—Common stock of investment companies approved by the administrator of the plan and the trustee; Option D—Retain as cash. Also, the employee may choose more than one option but the investment must be in multiples of 10% of his total current contributions.

It is significant that only seven of the fifteen plans provide for the investment of any part of the employees' deposits in the employer's common stock; six pro-

(Continued on page 180)

Marks of the Good Worker

What qualities are most important to cover in merit rating? This analysis of the rating forms used by fifty companies suggests some answers

ASK FIVE MANAGERS for a quick definition of "a good worker" and chances are they will give five different replies. They might go something like this:

- "He's intelligent."
- "He gets out the work."
- "You can count on him."
- "He's a good team worker."
- "He knows his job backwards and forwards."

Each of these managers has picked out a different characteristic to emphasize. They have selected intelligence, industry, dependability, cooperativeness and job knowledge. All of these are undoubtedly important attributes of a good worker. But many other qualities might easily be added to the list. If these same five managers got together to formulate a *complete* definition of a good worker, they might be at the task quite a while, and end up with several pages of notes.

A process not unlike this usually occurs when a company undertakes to construct a merit-rating form. A committee is appointed. Each member contributes his ideas. The rating forms of other companies are studied. Reports on the subject and merit-rating specialists are consulted.

The committee wants to do a thorough job. Its goal is a rating form which covers all the important aspects of the job and the individual. In its zeal, the committee may tend to be inclusive rather than critical and exclusive. The result is a product which seems logical enough to the committee, but which appears long, complicated, and burdensome to those who are asked to fill it out. To avoid this problem, it may be necessary to eliminate many items. But which ones should be retained on the rating form to get the clearest picture of the employee who is rated?

Fifty Plans Studied

In order to find out what items are covered, The Conference Board analyzed the graphic-scale rating forms of fifty companies. The graphic scale, which typically includes eight or ten items, is by far the most popular type of merit-rating plan in current use.[1] And, thus, this study probably reflects typical practice in merit rating in this country today.

Items selected for rating by the fifty companies reveal wide differences, although there is considerable agreement on a few of them. In all, a total of more than thirty characteristics of the individual and of the job are rated by one or more of the fifty companies.

The complete tabulation of the items is given here:

Item Rated	*Number of Times Found in 50 Merit-Rating Forms*[1]
Group 1: The Old Standbys	
Quantity of work	44
Quality of work	31
Group 2: Job Knowledge and Performance	
Knowledge of job	25
Attendance	14
Punctuality	12
Safety habits	7
Good housekeeping	3
Group 3: Characteristics of the Individual	
Cooperativeness	36
Dependability	35
Initiative	27
Intelligence	17
Accuracy	14
Industry	14
Adaptability	14
Attitude	13
Personality	13
Judgment	12
Application	10
Leadership	6
Conduct	6
Resourcefulness	6
Health	5
Neatness	5
Appearance	4
Enthusiasm	4
Potential	4

[1] Integrity, loyalty, speech, tact and thoroughness were rated by three or fewer companies.

This particular grouping of items is, of course, arbitrary. Some rating specialists would say that all the characteristics should be grouped under job items or individual items.

Also, some liberties were taken with the interpretation of particular words found on company forms. For example, disposition was merged with personality,

[1] In a typical graphic-scale rating form, each item is rated on a scale, i.e., a range in the scoring is provided, as "low" to "high" or "inferior" to "superior." Point values of the ratings are computed by some companies.

vitality with health, energy with industry, and so on. Otherwise the listing would have been even longer.

What Should Be Rated?

Six items were found on at least half of the fifty forms. These were quantity of work, cooperativeness, dependability, quality of work, initiative and knowledge of job. Among these, it will be noted, are the old standbys of former days, quantity of work, and quality of work. But while quantity of work still tops the list, its companion, quality of work, has slipped to fourth place.

Probably few executives would argue that any of these six items is unimportant. But importance is only one consideration. Some companies have asked why *any* item that can be measured objectively should be included in a merit-rating form. They argue that the whole concept of "rating" hinges on the supervisor making an evaluation of certain attributes of a subordinate that cannot be measured objectively. Take "quantity of work," for example. If an individual's productivity can be measured against an accepted standard, why attempt to rate it? The logic of this argument is clear. And the thinking of many companies on this point may be summed up briefly: If objective records are available, use them; don't rate items that can be measured.

Several items often found in rating forms would go by the board if this injunction were followed. Certainly attendance and punctuality would not be *rated*. For in these instances, the actual number of times the individual was absent and the number of times he was late during the rating period could easily be recorded on the rating form. Also, quantitative information about his productivity, his number of rejects, the number of days lost as a result of accidents, and perhaps some of the highlights of his last medical checkup could be entered on the form.

A number of companies are doing just this. And they believe that with these facts before him, the rater is able to do a better job of estimating the qualities that cannot be measured objectively. Also, in this way, the company has a more comprehensive picture of the individual who has been rated, with important objective data included as well as the supervisor's evaluation of his performance.

Intelligence is an item which belongs in a rather special category. It can be measured by tests. But its inclusion in a rating form is sometimes criticized on another score: there isn't much that an individual can do to increase his intelligence. Therefore, little is gained by rating it. The principle here is: Include only those factors over which the individual has control and where he can improve on past performance.

It will be noted that some of the items on rating forms are clear-cut while others are fuzzy. There is apt to be special confusion about some of the personality characteristics. These terms are often used loosely in conversation, and unfortunately there is no magic about a merit-rating form that suddenly invests these words with precise meaning. Cooperativeness, initiative, judgment, and resourcefulness are examples of terms which may have different connotations for different raters.

Some companies have attempted to eliminate all the words that they believe are apt to prove confusing. Others, wishing to retain these items in their rating forms, have written out definitions for the terms and then applied them to specific situations.

Here is how one company defines the highest level of attitude: "habitual cooperation, helpfulness, loyalty, and enthusiasm toward job, associates, and company."

Another company feels it is important to know how cooperative an employee is with his associates. But the word cooperative is not used at all. Above the rating line (see below) the question is asked: "Does this employee work successfully with others?" The rater is then instructed to make an X on the rating line at that point which gives the most accurate answer to the question. Four degrees of working successfully with others are spelled out.

Annoys others	Does not fit easily into group	Acceptable to associates	Promotes good feeling

In other words, cooperativeness is defined, and four levels of it are described. But no long or confusing words are used.[1] The company is of the opinion that with this system, it gets more precise and meaningful ratings than if it just asked, "How cooperative is this employee?"

The Halo Effect

As many as a dozen personality items are found in some rating forms. When this occurs it is extremely difficult—if not impossible—for the rater to avoid the halo effect.[2] He normally thinks of the person he is rating as an individual and not as a series of separate characteristics, although a few major traits may stand out. Therefore, when a rating form contains too many personality items there is apt to be confusion, and the ratings may lack meaning. Research studies indicate

[1] Nine items in addition to cooperation are rated by this company. Each is defined in easy-to-understand words and illustrations are given, which describe different levels of performance.

[2] A positive halo results from the tendency to overrate on all traits an individual who is regarded by his superior as outstanding on one or a few. A negative halo results when the rater is unduly influenced by one or a few outstanding weaknesses of the individual.

that six or seven items are optimal for a rating blank.

Merit rating has a long history. Rating methods, as well as the basic idea of rating, have been criticized from time to time. Possibly as a result of some of this criticism, present rating plans have been improved and are not as crude as the early ones. And new plans are always being tried. In addition, special attention is being given today to the training of the supervisors who make the ratings and who discuss them afterwards with the workers.

No doubt those companies that are convinced that it is important to identify and reward employees who perform their jobs well will continue to work on a broad front to strengthen their merit-rating programs.

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Labor Press Highlights

Financial Reports of Unions[1]

WITH the exception of the United Automobile Workers, AFL-CIO, assets and receipts of various unions have changed little during the past year, judging from recently issued financial reports (see accompanying table). But the UAW's financial report shows assets of close to $40 million — almost double the assets of the previous year.

The major change in the UAW's financial position is accounted for by the special strike-fund assessment levied in 1954. The strike fund as of December 31, 1955, amounted to more than $26 million. This is a larger amount than the total assets of the UAW in 1954. Total receipts credited to the strike fund in 1955 amounted to $30,120,169.90, while close to $12 million in strike benefits was disbursed during the year. The UAW states that its strike disbursements for 1955 exceeded the total amount spent on strikes during the previous four years. (As of April 5, the Kohler strike entered its third year, according to the UAW.)

Almost all of the UAW's income for the year came from dues and strike assessments; less than $500,000

[1] For previous financial reports of unions, see the *Management Record* of May, 1953; June, 1954; and May, 1955.

Finances of Ten Unions for the Year Ending December 31, 1955, as Listed in the Labor Press

Union and Source of Data	Assets	Liabilities	Receipts: Per Capita Tax	Receipts: Initiation Fees	Receipts: Total Dues, Fees, All Other	Disbursements
United Automobile Workers (UAW-CIO) *United Automobile Worker*	$39,792,142.93	$ 386,782.32	$19,927,086.55	$246,550.50	$48,446,773.88	$10,127,420.84
Ladies' Garment Workers *Justice*	29,614,565.56	15,732,564.75	4,020,230.56	95,883.61	8,192,197.46	5,908,466.96
Clothing Workers *The Advance*	8,500,301.66	111,017.53	3,292,383.41	51,490.64	3,971,512.28	3,655,117.78
Pulp, Sulphite and Paper Mill Workers *Journal*	4,268,810.55	0	2,401,776.23	32,139.50	2,459,813.95	2,393,898.44
Packinghouse Workers *The Packinghouse Worker*	1,335,142.71	200,443.52	2,862,734.33	31,330.01	2,918,027.37	2,390,806.53
Paperworkers *AFL-CIO Paperworker News*	222,580.23	36,305.77	627,037.65	6,805.00	634,486.03	587,252.88
Paper Makers *The Paper Maker*	*n.a.*	*n.a.*	1,240,371.16	44,589.10	1,485,366.66	939,624.32
Upholsterers' Union *UIU Journal*	207,906.76	55,678.17	512,021.51	27,173.02	792,257.81	841,964.27
Retail, Wholesale & Department Store Union *RWDSU Record*	150,778.65	11,895.37	1,104,115.15	17,660.00	1,123,288.77	1,061,698.96
Longshoremen's & Warehousemen's Union *The Dispatcher*	48,533.04	48,027.51	500,360.50	*n.a.*	527,777.88	530,241.13

n.a.—Not available.

represents income from investments. The bulk of the UAW's liquid assets of $32 million is in government securities.

The UAW claims that its dues-paying membership in 1955 numbered 1,328,634, which is an increase of about 90,000 members over the previous year. In addition, the UAW claims 57,537 members who are retired and exempt from dues payments.

Other Union Finances

Financial reports of the three unions in the paper industry establish the Pulp, Sulphite Workers as the richest of the three in terms of assets and income. The International Longshoremen's and Warehousemen's Union—one of the few still intact among the eleven that were ejected from the CIO for communist activities—shows a net worth of $505.53, with expenditures last year in excess of income.

Teamsters' Mutual-Aid Pacts

Organizing plans of the International Brotherhood of Teamsters call for a series of mutual-assistance agreements with other unions to serve as a basis for joint organizing drives, according to Teamster President Dave Beck in *The International Teamster*. In the making, reports Mr. Beck, is a joint program with the Hotel and Restaurant Workers' Union to organize hotel and restaurant employees as well as truck drivers who make deliveries to hotels. And a mutual-assistance pact with the Building Service Employees has employees of all parks and race tracks as its organizing objective.

Another Teamster agreement with the AFL-CIO Building Trades Department will aim toward the complete organization of workers engaged in heavy construction and home building, according to Mr. Beck. *The AFL-CIO News* reports that financial contributions for this drive have been pledged by the Carpenters, the Operating Engineers, the Electrical Workers, the Plasterers, the Plumbers, and the Bricklayers' and Laborers' unions.

However, two mutual-aid pacts entered into by the Central and Western States Conferences of the Teamsters seem to be permanently scrapped. *Labor's Daily* states that a projected loan of $400,000 from the Central States Conference to the International Longshoremen's Association—which was expelled from the AFL for racketeering activities—was deferred after AFL-CIO President George Meany intervened. The pact itself was later cancelled at the insistence of President Meany, who held it violated the AFL-CIO constitution. And a mutual-aid pact negotiated by the Western States Conference of Teamsters with the Mine, Mill and Smelter Workers Union—expelled from the CIO for communist activity—has become dormant, according to a statement by Steelworker President David MacDonald. Mr. MacDonald has stated that his union expects to make substantial organizing gains among the Mine-Mill workers. *Labor's Daily* reports that Mr. MacDonald conferred with Teamster leaders, who told him that the agreement was "inactive."

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"How Ridiculous Can We Get?"

The following statement, reprinted from The Paper Maker, is by Paul L. Phillips, president of the International Brotherhood of Paper Makers, AFL-CIO.

A CERTAIN paper mill in Michigan has two paper machines which are operated under an agreement with the Paper Makers, AFL-CIO. The oiler who works on one machine is under this agreement, but the oiler on the other machine is covered by a separate agreement with the Pulp, Sulphite and Paper Mill Workers, AFL-CIO.

The company is installing another paper machine. And the question that now arises is: Which union should the new oiler join? Should he come under the Paper Maker agreement or the Pulp, Sulphite agreement?

A couple of miles from the mill, the company has a paper storage building, manned by two employees (not two per shift, but two employees, period). One of these, the paper handler, is covered by the Paper Maker (PM) agreement, but his helper is covered by the Pulp Worker (PW) agreement.

Jurisdiction lines are rigid. If either of these employees is sick or on vacation, his replacement must come from the local union which has jurisdiction over his job. In addition, under the PM agreement, the paper handler is listed as a department. Not merely a job classification, but a *department*—a department of one man. And his helper, under the PW agreement, is also listed as a separate department as are each of the oilers mentioned above. Each oiler, under his union agreement, is a one-man department, and there is no line of promotion to or from his job. Not only dead end, but dead beginning, as well!

For a long time the company operated its own pulp mill, but this was abandoned a few years ago, and now the company buys all its pulp. Therefore the beater room has been replaced by three pulp breakers, and this has created more problems. Two of the breakers, or pulpers, are under the jurisdiction of the Paper Makers, while the third is under the jurisdiction of the Pulp Workers. Yet all three do the same work, preparing the same stock for the same machines.

Until a few months ago, the company had two more paper machines, the same size, making the same product and running side by side. But one crew was

under the Paper Makers and the other crew under the Pulp Workers. Both of these machines were torn out to make room for the new, bigger machine.

Production clerks doing similar work have their union membership determined by location, rather than by job. And towmotor operators handling paper join the Paper Makers, while operators using identical equipment, but handling pulp instead of paper, join the Pulp Workers.

There are two agreements, two negotiating committees, two separate negotiations, two of everything. And so it goes. The two local unions are constantly in arguments over jurisdiction. And so are the internationals.

Only a few days ago, two top company officials made a special trip to Albany (there have been others) to meet with the president of the Pulp Workers and the president of the Paper Makers. The company was hoping that the internationals would solve the latest jurisdictional disputes. The company officials did not try to make the decisions for the unions. They came with only one request: that the internationals give them the answers to these problems.

The company probably will have to wait a long time for the answers. The joint jurisdiction board, international representatives, directors, vice-presidents, and presidents have all spent hours arguing the jurisdiction in this mill, but there have been no decisions. The problems are still there; and company officials are still, in effect, pleading: "Please, give us the answer."

This company deserves better treatment. It has had union agreements for some twenty years. There have been no strikes. And while wage rates may not be the best, they are good, and far from being the worst. Working conditions are excellent. In twenty years, there has been only one grievance — a discharge case — which went all the way to arbitration, and the company was upheld. But at the moment there is a second case before arbitration, involving — you guessed it — seniority and jurisdiction.

While this company's jurisdictional problems may be unusual, similar situations can be found in hundreds of other companies where these two unions have locals in the same mills. A few companies even encourage disputes, playing one group against the other.

These disputes have developed over a period of many years. Back in 1909, a jurisdiction agreement was signed by these two unions. But at that time, there were only paper mills and pulp mills. During the forty-seven years since then, new products and new production techniques have been developed. Some jobs have been abolished, and many new jobs created. And today, jurisdiction lines overlap, and jurisdiction claims overlap even more. The result has been competition for the same employees on a catch-as-catch-can basis.

Although the workers in this industry have made tremendous progress, they have not gained as much in wages and working conditions as they could have gained by working together through united effort. It is no surprise, then, that, more and more, union leaders are searching for a practical way to unite the workers in this industry, searching for a way to end the feuding, the bickering, and the bitter arguments over jurisdiction.

The Paper Makers have by convention action and by membership vote made unity a prime objective. We shall make every reasonable and honorable effort to achieve this goal.

Management Bookshelf

Jobs and Workers in India—A handbook on the major problems affecting India's industrial workers, written with a "western approach." The author considers such subjects as the rise of nonagricultural employment in India, wages, industrial relations and industrial disputes, a history of the Indian labor movement up to 1947 and the current status of labor organization. The problems discussed and the terminology used are familiar to American businessmen and labor leaders. Implicit comparisons with the situation in America are drawn, and there is extensive discussion of those aspects of Indian industrial relations which differ markedly from American experience. *By Oscar A. Ornati, The Institute of International Industrial and Labor Relations, Cornell University, Ithaca, New York, 1955, 215 pp. Cloth $4. Paper $3.*

Shape-Up and Hiring Hall—A comparison of hiring methods on the New York and Seattle waterfronts. The work-sharing method followed by Harry Bridges' West Coast Longshoremen's Union (which was ousted from the CIO on charges of being communist dominated) is compared with the shape-up, until recently prevalent in New York where the International Longshoremen's Association is the bargaining agent. The book states that the shape-up, in which casual workers are selected by hiring bosses from among the men who answer daily calls, necessarily breeds opportunities for kickbacks and other graft. The author contends that government-operated hiring halls, which now handle all longshore hiring in New York, are really "shape-ups with a roof over them," and that ILA corruption remains unchecked. Union-management operated hiring halls, in which work is shared among a group of regular longshoremen on a rotation basis, is suggested as the logical method of eliminating abuses connected with hiring in a casual labor market. The author states that West Coast maritime employers are highly satisfied with this method. The book contains short histories of both unions. *By Charles P. Larrowe, University of California Press, Berkeley, California, 1955, 250 pp. $4.50.*

Consumer Prices Hold to Plateau

CONSUMER PRICES remained unchanged at 101.1 (1953 = 100) in March, 1956, according to the Board's United States index. This price level, however, was 1.0% above a year ago. The purchasing value of the March dollar remained at 98.9 cents (1953 dollar = 100 cents), 1.1 cents below the March, 1955, value.

Balancing movements among the components of the index were responsible for the unchanged all-items figure over the month. Food and transportation costs decreased by 0.3% and 0.2% respectively. But these declines were balanced by higher prices for apparel (up 0.1%), housing (up 0.2%) and sundries (up 0.3%).

The food index continued to fall as the prices for meat and eggs dropped. The meat, fish and poultry group was down 0.7% from February, but within the group changes were mixed. Beef was 1.5% cheaper and pork prices, after some recovery last month, slid 1.0%. On the other hand a leveling off was indicated in fresh pork prices, but processed and cured meats continued their steady decline. Only higher prices for fish and poultry during the month prevented a sharper drop in the meat, fish and poultry component. Dairy products and eggs were down 0.9%, primarily because of a 3.7% drop in egg prices, a decline caused by the seasonal peak in egg production.

Meanwhile in other sectors of the food index, price increases of 0.2% were reported for fruits and vegetables, reflecting the higher cost of potatoes, green beans, tomatoes and bananas. Canned and frozen foods showed generally mixed trends with frozen orange juice prices rising substantially. And increased prices of 0.4% for margarine and 1.5% for coffee raised the other food at home index 0.5%. The downward trend of coffee prices during past months was reversed as continued boosts in green coffee prices, which had caused roasters to raise their wholesale prices, were finally felt by the consumer.

Housing costs were 0.2% higher in March as rent, and fuel, power and water registered increases of 0.1% and household operations increased 0.2%. Housefurnishings and equipment, on the other hand, were down 0.1% as lower prices were recorded for appliances.

Apparel prices advanced 0.1% over the month. This was mainly because of higher prices for hides which, in turn, were felt by the consumer buying leather goods. And slightly higher dry cleaning and shoe repair charges augmented the increase in apparel prices.

Transportation costs were down 0.2% during the month. New and used car prices were cheaper, but this decline was almost balanced by higher charges for gasoline and public transportation. The public transportation index rose as a result of higher charges in some of the cities surveyed in March.

Scattered increases throughout sundries brought the index to 103.7—an increase of 0.3% over February. Large increases were reported for recreation (up 0.8%), personal care (up 0.4%), and medical care (up 0.3%).

Since Last Year

Compared with last year, consumer prices were up 1.0%, as the rising trend which had begun in August, 1955, continued. All components, except food, moved upward. Food was down 1.4% from March, 1955, mainly because of the sharp decrease of 7.1% in the meat, fish and poultry component and a drop of 1.3% in the other food at home group. Meat prices declined continuously during the year with pork buyers receiving the greatest savings. The drop in the other food at home group reflected the lower prices for margarine and coffee for, although prices for these items increased this month, they are still below their prices of a year ago. Higher prices for cereal and bakery products (up 0.6%), dairy products and eggs (up 1.9%), and vegetables and fruits (up 2.6%) could not change the downward trend of food.

Housing costs rose 1.3% during the year, reflecting increases of 1.4% in rents, 1.3% in furnishings and equipment, and 1.6% in household operations. A smaller rise of 1.1% was registered for fuel, power and water, with gas and electricity rates rising 0.4% and 1.0% respectively.

The advance of 0.7% in men's clothing prices over the year sent the apparel index up 0.5%. But during this same period women's apparel declined 0.2%.

The transportation index showed the greatest advance from a year ago; it was up 4.8%. This substantial increase resulted from continuously higher costs for public transportation and automobile upkeep. The sundries index was up 2.4%, reflecting a 3.6% and 4.5% rise in the costs of medical and personal care.

Consumer Price Index—United States

Cities over 50,000 in population

1953 = 100

	ALL ITEMS	FOOD: Total	FOOD: Meat, Fish, Poultry	FOOD: Cereal, Bakery Products	FOOD: Dairy Products, Eggs	FOOD: Fruits, Vegetables	FOOD: Other Food at Home	HOUSING: Total	HOUSING: Rent	HOUSING: Fuel, Power, Water: Total	HOUSING: Fuel, Power, Water: Gas	HOUSING: Fuel, Power, Water: Electricity
1954 September........	100.3	99.6	97.0	103.3	94.0	96.9	112.9	100.8	104.8	100.2	101.4	101.0
October...........	100.0	98.8	94.8	103.4	94.3	96.5	112.2	101.0	105.2	101.0	101.5	101.0
November........	100.0	98.6	94.7	103.7	94.6	96.4	110.6	101.0	105.3	100.7	101.5	101.0
December.........	99.8	97.9	93.7	104.0	93.5	95.5	110.5	101.1	105.3	101.1	101.6	101.0
Annual Average...	100.2	99.5	97.7	103.2	94.2	97.0	110.7	100.9	104.3	101.1	102.7	100.7
1955 January..........	99.9	98.2	94.3	104.0	92.8	97.1	110.2	101.2	105.5	102.7	104.8	100.9
February.........	99.9	98.2	94.4	104.2	93.6	97.4	108.8	101.2	105.5	103.1	105.2	100.9
March............	100.1	98.4	94.1	104.3	94.2	99.1	107.5	101.3	105.7	103.3	105.6	101.0
April.............	100.1	98.3	94.3	104.3	93.0	100.7	106.5	101.5	105.8	103.5	106.5	101.1
May..............	100.2	98.4	94.0	104.4	91.7	104.1	105.7	101.4	105.8	102.9	106.5	101.1
June.............	100.2	98.3	94.6	104.4	91.5	103.5	104.6	101.4	105.8	102.7	106.7	101.2
July..............	100.3	98.6	94.9	104.6	92.4	103.6	104.6	101.2	106.2	101.4	103.9	101.6
August...........	100.3	98.2	94.5	104.7	94.5	99.1	104.7	101.5	106.2	101.8	104.2	101.7
September........	100.5	98.5	94.9	104.8	96.4	97.4	105.1	101.6	106.3	102.1	104.5	101.7
October...........	100.7	98.6	94.0	104.8	97.4	97.7	105.5	101.9	106.5	102.6	104.5	101.8
November........	100.7	98.0	91.7	104.4	97.7	98.0	105.6	102.0	106.6	102.9	105.0	101.8
December.........	101.0	97.9	89.9	104.4	98.3	99.7	105.9	102.1	106.8	103.2	105.3	101.8
Annual Average...	100.3	98.3	93.8	104.4	94.5	99.8	106.2	101.5	106.1	102.7	105.2	101.4
1956 January..........	101.1	97.5	88.4	104.9	98.5	99.7	105.7	102.2	106.8	103.7	106.0	101.9
February.........	101.1	97.3	88.0	104.9	96.9	101.5	105.3	102.4	107.1	104.3	106.0	101.9
March............	101.1	97.0	87.4	104.9	96.0	101.7	105.8	102.6	107.2	104.4	106.0	102.0

	HOUSING (continued): Furnishings, Equipment	HOUSING (continued): Other Household Operations	APPAREL: Total	APPAREL: Men's Apparel	APPAREL: Women's Apparel	TRANSPORTATION	SUNDRIES	PURCHASING VALUE OF DOLLAR	REBASED INDEXES: All Items (January 1939=100)	REBASED INDEXES: Purchasing Value of January, 1939 Dollar	REBASED INDEXES: All Items (1947-49 = 100)
1954 September........	98.6	100.4	99.0	99.5	98.6	100.5	101.1	99.8	182.1	54.9	114.2
October...........	98.6	100.4	99.0	99.4	98.6	100.1	101.1	100.0	181.6	55.1	113.8
November........	98.7	100.5	99.0	99.4	98.6	100.2	101.2	100.0	181.6	55.1	113.8
December........	98.6	100.5	98.9	99.3	98.5	99.9	101.3	100.2	181.2	55.2	113.6
Annual Average...	98.9	100.3	99.2	99.5	98.9	100.1	101.0	99.8	182.0	54.9	114.1
1955 January..........	98.3	100.5	98.8	99.3	98.3	100.0	101.3	100.1	181.5	55.1	113.7
February.........	98.0	100.5	98.8	99.3	98.2	100.1	101.3	100.1	181.5	55.1	113.8
March...........	98.1	100.7	98.9	99.2	98.4	100.3	101.3	100.0	181.7	55.0	113.9
April............	98.3	100.7	98.9	99.2	98.4	100.2	101.5	99.9	181.8	55.0	113.9
May..............	98.2	100.8	98.8	99.2	98.3	100.4	101.6	99.8	181.9	55.0	114.0
June............	98.2	100.6	98.8	99.2	98.2	101.3	101.8	99.8	182.1	54.9	114.1
July.............	98.0	100.7	98.9	99.2	98.2	100.5	102.1	99.7	182.1	54.9	114.1
August..........	98.3	101.0	99.2	99.6	98.5	100.6	102.3	99.7	182.2	54.9	114.2
September........	98.4	101.2	99.3	99.7	98.6	100.9	102.6	99.5	182.5	54.8	114.4
October..........	98.7	101.4	99.4	99.6	98.7	101.3	102.7	99.3	182.9	54.7	114.6
November........	98.9	101.5	99.3	99.7	98.4	102.9	102.7	99.3	182.9	54.7	114.7
December........	99.2	101.7	99.3	99.7	98.3	104.7	102.9	99.0	183.4	54.5	114.9
Annual Average...	98.4	100.9	99.0	99.4	98.4	101.1	102.0	99.7	182.2	54.9	114.2
1956 January..........	99.3	102.0	99.3	99.8	98.0	105.8	103.1	98.9	183.6	54.5	115.0
February.........	99.5	102.1	99.3	99.9	98.1	105.3	103.4	98.9	183.6	54.5	115.0
March...........	99.4	102.3	99.4	99.9	98.2	105.1	103.7	98.9	183.6	54.5	115.0

Consumer Price Index—United States

Annual average 1914-1954[a]

1953 = 100

Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar
1914........	40.3	248.1	1925.......	67.8	147.5	1935.......	53.6	186.6	1945.......	70.2	142.5
1915........	40.0	250.0	1926.......	68.3	146.4	1936.......	54.8	182.5	1946.......	74.9	133.5
1916........	43.0	232.6	1927.......	66.9	149.5	1937.......	57.2	174.8	1947.......	84.7	118.1
1917........	51.3	194.9	1928.......	65.9	151.7	1938.......	55.7	179.5	1948.......	90.1	111.0
1918........	59.5	168.1	1929.......	65.6	152.4	1939.......	55.0	181.8	1949.......	88.8	112.6
1919........	67.6	147.9	1930.......	63.4	157.7	1940.......	55.4	180.5	1950.......	90.0	111.1
1920........	77.8	128.5	1931.......	57.0	175.4	1941.......	58.3	171.5	1951.......	97.0	103.1
1921........	66.8	149.7	1932.......	50.9	196.5	1942.......	64.5	155.0	1952.......	99.5	100.5
1922........	63.6	157.2	1933.......	49.0	204.1	1943.......	68.2	146.6	1953.......	100.0	100.0
1923........	65.4	152.9	1934.......	51.8	193.1	1944.......	69.1	144.7	1954.......	100.2	99.8
1924........	66.1	151.3							1955.......	100.3	99.7

a Indexes from 1914 through 1919 are for the month of July only and are not annual averages.

Consumer Price Indexes for Individual Cities

These indexes show changes in consumer price only. They do N OT show intercity differences in price level or standards of living.

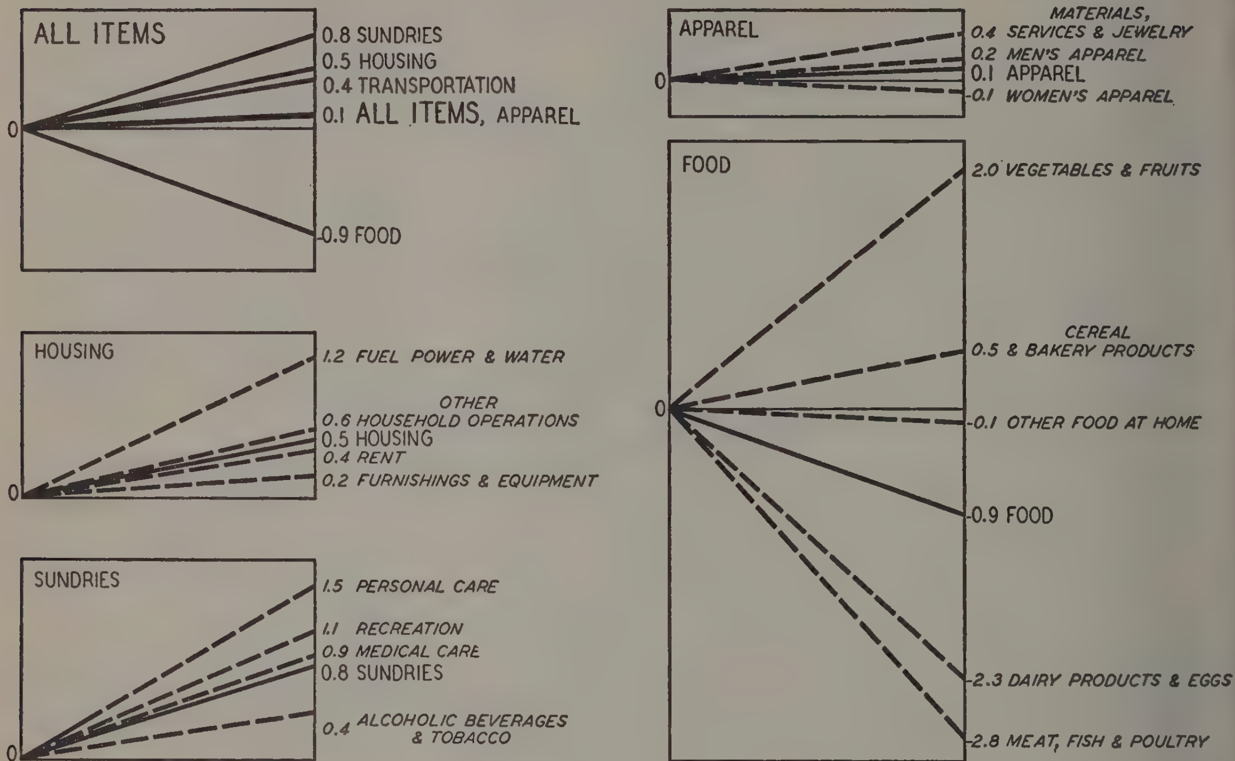
Cities Surveyed Monthly

	1953 = 100			Percentage Changes	
	Mar. 1956	Feb. 1956	Mar. 1955	Feb. 1956 to Mar. 1956	Mar. 1955 to Mar. 1956
Chicago					
All Items	103.8	103.8	101.8	0	+2.0
Food	98.1	98.6	100.0	−0.5	−1.9
Housing	107.8	107.8	105.2	0	+2.5
Apparel	100.2	100.0	98.2	+0.2	+2.0
Transportation	106.6	106.5	101.0	+0.1	+5.5
Sundries	106.7	106.2	101.9	+0.5	+4.7
Houston					
All Items	100.9	101.0	100.0	−0.1	+0.9
Food	97.3	97.7	98.4	−0.4	−1.1
Housing	102.2	102.3	101.2	−0.1	+1.0
Apparel	99.6	99.6	99.7	0	−0.1
Transportation	104.6	104.3	98.7	+0.3	+6.0
Sundries	102.1	102.1	101.5	0	+0.6
Los Angeles					
All Items	99.7	100.2	99.6	−0.5	+0.1
Food	94.8	96.2	96.9	−1.5	−2.2
Housing	101.1	101.3	101.4	−0.2	−0.3
Apparel	98.9	99.0	99.3	−0.1	−0.4
Transportation	103.1	103.0	100.2	+0.1	+2.9
Sundries	102.2	102.1	100.3	+0.1	+1.9
New York					
All Items	101.2	100.7	100.7	+0.5	+0.5
Food	96.8	96.6	98.3	+0.2	−1.5
Housing	103.3	103.0	101.9	+0.3	+1.4
Apparel	98.3	97.9	98.3	+0.4	0
Transportation	113.0	111.8	108.5	+1.1	+4.1
Sundries	102.7	101.7	101.3	+1.0	+1.4

Cities Surveyed Quarterly

	1953 = 100			Percentage Changes	
	Mar. 1956	Dec. 1955	Mar. 1955	Dec. 1955 to Mar. 1956	Mar. 1955 to Mar. 1956
Atlanta					
All Items	99.9	100.3	98.2	−0.4	+1.7
Food	93.2	94.1	94.8	−1.0	−1.7
Housing	102.1	102.1	101.3	0	+0.8
Apparel	100.1	99.7	97.7	+0.4	+2.5
Transportation	103.7	106.8	98.5	−2.9	+5.3
Sundries	103.8	103.2	98.8	+0.6	+5.1
Cleveland					
All Items	100.9	101.9	99.8	−1.0	+1.1
Food	94.7	97.3	98.8	−2.7	−4.1
Housing	102.3	101.9	101.6	+0.4	+0.7
Apparel	100.5	100.8	100.0	−0.3	+0.5
Transportation	103.2	108.2	94.8	−4.6	+8.9
Sundries	106.3	104.6	101.9	+1.6	+4.3
Denver					
All Items	100.9	101.3	100.6	−0.4	+0.3
Food	98.9	98.9	101.2	0	−2.3
Housing	101.9	101.6	101.0	+0.3	+0.9
Apparel	99.1	99.1	98.6	0	+0.5
Transportation	100.7	103.6	100.6	−2.8	+0.1
Sundries	103.3	104.0	99.7	−0.7	+3.6
Des Moines					
All Items	101.6	100.8	99.7	+0.8	+1.9
Food	98.7	99.3	98.1	−0.6	+0.6
Housing	100.8	100.0	99.9	+0.8	+0.9
Apparel	99.2	99.4	99.0	−0.2	+0.2
Transportation	107.2	101.9	100.4	+5.2	+6.8
Sundries	104.9	104.2	102.0	+0.7	+2.8
Evansville					
All Items	98.9	99.6	98.5	−0.7	+0.4
Food	92.2	93.1	95.2	−1.0	−3.2
Housing	100.1	99.7	99.7	+0.4	+0.4
Apparel	101.0	101.0	98.5	0	+2.5
Transportation	105.8	108.7	100.2	−2.7	+5.6
Sundries	101.7	102.3	100.5	−0.6	+1.2
Huntington-Ashland					
All Items	101.2	101.8	100.5	−0.6	+0.7
Food	96.5	97.5	99.0	−1.0	−2.5
Housing	103.3	103.7	100.8	−0.4	+2.5
Apparel	101.8	101.3	100.2	+0.5	+1.6
Transportation	105.1	108.5	101.3	−3.1	+3.8
Sundries	103.3	102.9	102.5	+0.4	+0.8
Indianapolis					
All Items	100.5	101.2	99.9	−0.7	+0.6
Food	96.1	96.7	97.7	−0.6	−1.6
Housing	102.0	101.9	101.3	+0.1	+0.7
Apparel	98.6	97.9	97.6	+0.7	+1.0
Transportation	101.0	106.2	97.7	−4.9	+3.4
Sundries	105.5	104.9	104.1	+0.6	+1.3
Kansas City					
All Items	101.7	101.4	99.9	+0.3	+1.8
Food	95.6	96.0	97.0	−0.4	−1.4
Housing	103.4	102.7	102.0	+0.7	+1.4
Apparel	97.6	96.9	97.0	+0.7	+0.6
Transportation	104.1	105.9	98.3	−1.7	+5.9
Sundries	109.0	106.3	103.4	+2.5	+5.4
Lansing					
All Items	101.4	102.2	99.8	−0.8	+1.6
Food	99.6	100.5	99.1	−0.9	+0.5
Housing	101.8	101.8	101.2	0	+0.6
Apparel	100.8	100.2	99.2	+0.6	+1.6
Transportation	103.4	107.8	98.8	−4.1	+4.7
Sundries	102.6	102.3	99.7	+0.3	+2.9
Milwaukee					
All Items	100.0	100.0	98.7	0	+1.3
Food	94.2	94.3	96.3	−0.1	−2.2
Housing	101.1	100.3	99.6	+0.8	+1.5
Apparel	98.4	98.3	98.1	+0.1	+0.3
Transportation	105.8	109.6	100.1	−3.5	+5.7
Sundries	103.2	102.1	100.0	+1.1	+3.2
Pittsburgh					
All Items	100.7	100.6	100.1	+0.1	+0.6
Food	95.9	96.7	98.9	−0.8	−3.0
Housing	103.4	102.2	101.8	+1.2	+1.6
Apparel	101.6	101.1	101.2	+0.5	+0.4
Transportation	103.3	104.5	97.7	−1.1	+5.7
Sundries	102.3	101.6	100.1	+0.7	+2.2
Portland					
All Items	100.0	100.2	99.1	−0.2	+0.9
Food	95.6	96.6	96.3	−1.0	−0.7
Housing	100.8	100.5	100.0	+0.3	+0.8
Apparel	98.8	98.2	97.4	+0.6	+1.4
Transportation	101.6	103.4	99.7	−1.7	+1.9
Sundries	104.5	103.5	101.9	+1.0	+2.6

Consumer Prices of Selected Subcomponents in First Quarter of 1956



The First-Quarter Story

The story of the first quarter of 1956, as illustrated in the accompanying chart, is that of counterbalancing price movements. The sharp drop of 0.9% in food prices almost balanced the rises in housing, 0.5%, apparel, 0.1%, transportation, 0.4%, and sundries, 0.8%, so that the all-items index moved up only 0.1%.

The continuing downward trend of meat, fish and poultry lowered this index 2.8%. And the sharp break in egg prices sent dairy products and eggs down 2.3%. Therefore, although fruits and vegetables were up seasonally 2.0% and cereal and bakery products rose 0.5%, the food story during this first quarter was that of lower prices for shoppers.

Increased housing costs from mid-December, 1955, reflected higher rents (up 0.4%) and fuel, power and water rates (up 1.2%). The lower prices of 0.1% for women's clothing during the first quarter could not balance the 0.2% rise in prices for men's clothing and the 0.4% rise in materials and service charges.

Higher public transportation charges more than offset lower prices for new and used cars so that the transportation index went up during the quarter. The increase registered by the sundries index reflected a general rise in all its component parts. Medical care with an increase of 0.9% and the recreational group, which was up 1.1%, were the items with the largest upturns.

A year ago during the first quarter of 1955 the general price level rose 0.3%, with food moving up 0.5% in contrast to its decline during the first three months of 1956. And in early 1955 housing and transportation costs increased 0.2% and 0.4%, respectively, while apparel and sundries showed no change. The latter components, which reached a plateau early in 1955, resumed an upward trend by the year's end.

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Only One Pair to a Customer—A cartoon-illustrated brochure designed to show employees how to properly use and care for their eyes. The booklet explains how the eye functions, how much light is needed for various tasks, and analyzes such common eye defects as pinkeye, sties, glaucoma, cataracts, etc. *By Cameron Kirk, The Economics Press, Inc., Montclair, New Jersey, 1956, 13 pp., 13 cents per copy or quantity prices for 100 or more.*

Vested or Insured SUB?

(Continued from page 160)

attempt to cut withdrawals while laid off, since he would be exhausting his own savings rather than someone else's. Then, too, for the high-wage employee earning about $3 an hour, the total benefit available is a much smaller percentage of take-home pay than for the lower-rated employee.

However, it has also been pointed out that if the Ford plan's 65% total benefit can be viewed as an incentive to malinger, the possibility of malingering under a glass-type plan that offers a much higher percentage of take-home pay to lower-rated employees cannot be overlooked. At 80% of take-home, for example, the single worker might be quite willing to use unemployment compensation plus withdrawals from his savings plan to prolong a layoff. This wouldn't apply to higher-rated employees — at least not so long as unemployment compensation remains at present levels.

Cost Considerations

For the employer, probably the major consideration is the comparative costs of financing the two plans. The maximum cost of financing either, as they are now set up, is 5 cents per man-hour — or about 2% to 2.5% of payroll. Under no circumstances can either the monthly or annual outlay exceed that amount. For companies that have set up a glass-type plan, however, there is nothing to indicate that financing will ever be less than 5 cents per man-hour. They are committed to build each individual account to $600 and maintain it at that level. When the $600 maximum is reached, the 5 cents per hour that would otherwise go into the fund becomes added vacation pay for the employee.

Companies that have a Ford-type plan, however, are committed to a 5-cent-per-hour contribution only so long as the fund is below maximum funding. At least this is provided for in the plans negotiated. Once maximum funding is reached, the annual cost of maintaining the fund at 100% may amount to less than 2% of payroll if layoffs are minor. There is even the possibility of the cost going to zero if employment is stabilized. Large layoffs, on the other hand, could prolong the period of company contributions to the fund, but it could not increase the 5 cents per man-hour rate.

What effect would these cost factors have on a company's decisions regarding hiring, layoffs, employment stabilization measures, technological improvements, etc.? In the case of the glass-type plan, the 5 cents per hour can be viewed as being equivalent to a 5-cents-per-hour wage increase. And company policies would be no different than if it were a wage increase. Under a Ford-type plan, however, the cost can be cut if employment is stable. This being the case, it has been pointed out, the desire to cut costs may deter new hiring and technological changes; it may cause the company in some periods to manufacture goods that it would otherwise purchase from suppliers; and it may affect company decisions regarding necessary plant movement or decentralization.

On the other hand, it has also been pointed out that while the possibility of saving 2% of payroll represents some incentive to stabilize, it is a dubious incentive for a company to become inflexible. Actually the possibility of incurring a 2% rise in labor costs would probably be just one of many factors to be considered in reaching any decision that would affect employment. It seems more likely that decisions of *where* to lay off would be affected more than decisions of *whether* to lay off—since layoffs in states with high unemployment compensation would produce less of a drain on the general fund and require a smaller replacement.

As a matter of fact, whether a possible 2% to 2.5% saving in cost represents any incentive to stabilize has been questioned. It has been pointed out that inasmuch as the employer has set aside funds for employees who are laid off, he may prefer to lay them off rather than take on the extra cost of attempting to make work. Put in another way, the maximum cost of layoff can now be weighed against the cost of artificially stabilizing employment. For example, a spokesman for one of the can companies recently raised this question: In view of the company's commitment to build up a SUB fund, would the company be justified in spending more money to stabilize employment or should it allow layoffs to follow their normal course?

Cost Impact on Unemployment Compensation

In addition to the direct cost of SUB represented by the employer's contributions to a general fund or to individual accounts, there is also the cost of contributions to the state unemployment compensation scheme. Which type of plan is more likely to affect this second cost?

In narrow terms, the company's payments to state unemployment compensation would be increased if SUB payments promoted malingering of laid-off employees. But if the company has a favorable merit-rating position or a favorable state UC reserve, malingering would affect only its own costs. If the company were already paying the maximum UC rate, malingering would affect the unemployment compensation costs of other companies as well. As already mentioned, however, there are differing views on

whether either plan would produce malingering at the present level of benefits.

In larger terms, two of the most important factors affecting the cost of unemployment compensation are the level of benefits and the eligibility provisions. What impact do the two types of plans have on these factors? A glass-type plan is viewed as having no effect on either because its workings are completely independent of unemployment compensation. How much the employer pays into the individual accounts and how much the laid-off employee withdraws from his account do not depend upon the amount of state UC or the employee's eligibility for state unemployment compensation.

But because benefits, cost, and eligibility are tied to state unemployment compensation in a Ford-type plan, it is viewed as providing a major lever to raise UC benefit levels and to ease the eligibility requirements. Unions and some employers, for example, have asserted that certain companies — particularly those paying the maximum UC rate — will seek to raise UC benefit levels in order to lower the cost of SUB. Others have indicated that if a state permits UC supplementation, this in effect is conceding that the existing level of unemployment compensation benefits is too low and should be raised.

Employee pressure will provide the lever to ease eligibility requirements, according to some union spokesmen: If laid-off employees find that they are denied company supplements because of "restrictive" state UC eligibility provisions, they will seek to have them changed.

The UAW also hopes to enlist employer support to change UC eligibility provisions by negotiating *independent* standards of eligibility for future SUB plans. Then if the employee were eligible for SUB under the standards specified in the union contract, the employer would be liable for the full amount of layoff pay if the employee were declared ineligible for state UC. With such a provision, the union contends that employers interested in reducing SUB costs would seek to bring state laws into conformity with negotiated standards. Of course, while such a move might reduce employer payments into the fund, it doesn't necessarily follow that total costs would be reduced, since UC costs might be increased.

Because of its possible impact on these and other parts of the state UC provisions, some employer groups have deplored the type of SUB plan that requires integration with state benefits. Some have sought to avert state UC rulings permitting supplementation. More recently, attempts have been made to restrict supplementation of state UC in various ways. Spokesmen for Ford have indicated it might be desirable to restrict (but not prohibit) US supplementation by legislation. And the Commerce and Industry Association of New York has sought the following legislative restrictions on SUB plans, if supplementation is permitted:

1. Limit the total benefit to an employee while laid off to two-thirds of his average weekly wage, and place a ceiling of $30 on private supplements.
2. Restrict integration of private plans with state UC to employers who have positive balances in their UC accounts.
3. Provide that eligibility standards for private supplements must conform to the eligibility standards provided in the state law.
4. Restrict supplementation to those employees who are laid off and actively seeking work.

Looking at the vested and insured plans in terms of total costs, it is obviously necessary to consider the costs of both private supplementation and state unemployment compensation.

For the employer using a glass-type plan, the cost of that portion of layoff pay represented by state unemployment compensation is variable. But the portion represented by his own contribution to the employees' accounts is fixed at 5 cents per man-hour. For the employer using the insurance or Ford-type plan, both UC and SUB costs are variable, since both costs can be reduced if a company has excellent employment experience, provided private or public benefits are not liberalized.

POTENTIAL BENEFITS AND COSTS

Another consideration for both employees and employers is *potential* benefits and costs of the two types of plans. By the nature of a plan with fully vested individual accounts, the company funds 100% of the potential benefits to employees. Thus there can be no increase in total benefits to any employee without an increase in cost to the company. Amplifying this, the total amount available to an employee under a glass-type plan — in terms of payments while laid-off or sick, or used as termination pay, or extra vacation pay — is 5 cents per hour worked. Benefits could only be increased if the company paid more than 5 cents per hour into the individual's account.

Under a Ford-type plan, however:

- Benefits may remain the same, while company costs are cut.
- Benefits may increase, while company costs remain the same.
- Benefits may increase, while company costs increase.

These possibilities stem from the fact that the insurance-type plan funds only a portion of the potential maximum benefits to employees. In practically all Ford-type plans negotiated by the UAW, the "maximum funding" amounts to 60% of maximum potential benefits; and in the plans negotiated by the can companies, the maximum funding ratio is considerably less. Only experience can tell whether this funding will be more than adequate, less than ade-

quate, or just right. However, the companies involved have emphasized that the maximum funding is "conservative." And the UAW has insisted that the Ford plan is overfunded and could finance a much higher level of benefits.

Same Benefits, Lower Costs

Should the maximum funding prove more than adequate to provide agreed-upon benefits, a lower funding position and smaller company contributions would be sufficient. And most of the insured-type plans provide for such a cut should this occur. Under the plans of the two can companies, this cut in costs would occur during the third year of the plan. Under the agreements in the automotive industry, the provision allowing for a cut in maximum funding is not slated to become effective until the fourth year.

Inasmuch as the contracts come up for renegotiation after three years, whether any cut will occur is subject to speculation. As a matter of fact, the renegotiation of UAW contracts after three years also raises doubts about the previously mentioned provision that company contributions cease when maximum funding is reached. Under Ford-type plans, maximum funding cannot possibly be reached until after three years.

Higher Benefits, Same Costs

Should the funding prove more than adequate, there is always the possibility of raising benefits rather than cutting the company's contributions. And UAW pronouncements make it clear that this is the objective.

Increased benefits could take any of a number of different forms. It might mean: (1) lowering service requirements so as to make more employees available for benefits; (2) changing the eligibility requirements; (3) increasing the rate at which layoff credits can be earned by employees; (4) providing for an increased dependency allowance;[1] (5) extending the duration of benefits; (6) raising the level of benefits; (7) and possibly providing for some vesting of the funds for longer-service employees. As one company spokesman put it, "We can always find a way to spend the money if there is too much there."

This also suggests that great care is needed in setting up the original financial provisions of any SUB plan, lest a formidable accumulation of reserves acts as an incentive to increase benefits.

What the unions have in mind by way of increased benefits has already been indicated — in the first place, by the original demands proposed by the UAW, and more recently by the innovations that were negotiated in the SUB plans in the farm equipment and can industries.

[1] Because payments are geared to take-home pay, the Ford plan and others like it, in effect, set up a dependency allowance, even though not specifically stated.

From company statements so far issued, there seems to be little sympathy with the idea of raising benefits above the 65% level or of relaxing eligibility requirements so that they differ from those set up by state unemployment compensation.

Same or Higher Benefits, Higher Costs

If the funding proves inadequate, would there be an insistence on greater contributions from the company? For that matter, if the funding is just right, would there be insistence on greater contributions to finance higher benefits? From those who see the present Ford-type plan as a foot in the door, the immediate answer is, "Yes, the 5 cents per man-hour is just a down payment." Others, however, answer, "Not necessarily." Inasmuch as there was resistance from long-service skilled workers to the initial 5 cents per man-hour allocation to SUB, there might be even greater resistance from them to any further expenditures on SUB that would be in lieu of wages. And the resistance might not only come from long-service employees but from short-service employees as well in states with high unemployment compensation. For they would receive smaller company benefits than the employees in states with low UC. Or there may be a generalized resistance to allocating any further wage increases to SUB among employees who find that SUB is neither the guaranteed annual wage nor the guaranteed semiannual wage that they may have thought it was.

There are some observers who see partial or even full vesting of SUB funds as an eventual development of the insured type of plan. It has already been mentioned as a possible step, in case the plan is overfunded, to meet the complaints of long-service workers. And should UC benefits be raised to the point where withdrawals from the fund become far less (assuming a fixed ceiling of 65% of take-home pay), the demand for vesting seems inevitable, to some people, if the plans are to become permanent.

WEIGHING THE PROS AND CONS

Weighing all the factors involved, which type of plan is better? There is no easy answer. Naturally, it depends upon the particular situation — such as the composition of the work force in terms of length of service, the relative stability of employment the company has enjoyed, the level of state unemployment compensation benefits available to the employees, and whether the state itself will premit supplementation. It is also apparent that any quick conclusion that one plan offers higher benefits to the employee or another plan offers lower costs to the employer must be subjected to a careful evaluation.

On this score, developments in bargained pension plans may offer some valuable guides to the future. For example, early bargained pensions invariably ig-

nored vested benefits; but recently, vesting rights have been included in major contracts. Also, the benefits provided in the early bargained pension plans included Social Security payments; today most bargained benefits are in addition to Social Security.

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New Savings Plans

(Continued from page 167)

vide for the investment of these funds in the common stocks of other companies. Under eight plans, the employees' contributions may be invested in United States Government securities. Under two plans, this is the only type of security that may be purchased with the employees' allotment.

Investment of Company Contributions

There is much more uniformity in the investment policies for employer contributions: nine of the fifteen companies provide for the purchase of their own stock with their contributions. In three companies, the employee directs the investment of the company contributions as well as his own. In these cases, however, he is limited to the investments specified in the plan.

TERMINATION OF FUND

A very important question in any employee thrift plan is whether the savings fund should accumulate indefinitely or "pay off" at specified intervals.

Under the former or "terminal distribution" type of plan, the securities purchased are held by the trustee until employment is terminated by death, retirement, resignation or discharge. The emphasis here is clearly on the long-term accumulation of funds to provide additional security when the employee retires. Eleven of the fifteen plans are of this type—a somewhat higher percentage than was found in the survey made in 1953.

The remaining four plans are of the "periodic distribution" type. Under one of these plans, the employee contributes until he has accumulated sufficient funds to purchase five shares of his employer's common stock. At this time he receives a bonus of one share from the company, and all the stock is delivered to him.

Under the thrift plan of the du Pont Company, the employees' savings are invested in United States savings bonds, and company contributions are in company stock. After four years of participation, the employee receives bonds purchased during the first year as well as all full shares of company stock registered in his name for two years. Annually thereafter, the employee receives one year's purchase of savings bonds and any common stock registered in his name for two years.

Ford and G.M. give their salaried employees the choice of either a savings plan or a long-term investment plan. Under the savings plan, classes are formed yearly, and the fund matures in five years. At this time the employee receives the stock, bonds and cash credited to his account. The retirement thrift plan is of a continuing nature. It is designed to provide more financial security at retirement, as the classes do not mature until that time or at termination of employment for other specified reasons.

Table 6: Vesting Rights in Event of Termination of Employment

Share of Company Contribution	*No. of Plans*
None	1
After 5 years' participation, full company share	3[a]
10% for each year of participation; 10 years, full company share	3
After 1 year's participation, full company share	2
After 5 years' participation, 10% for each year thereafter to maximum of 100%	2
2.75% for each month, beginning with 1st month in 3rd year of participation	2
5% for each year of service	1
After 3 years, full company share	1
Total	15

[a] In one company, no company contributions if discharged with prejudice; receives own contributions plus 3% interest.

TERMINATION OF EMPLOYMENT

When employment is terminated by retirement, disability, or death, the employee or his beneficiary receives all the money and securities in his account, including the company's contribution.

If an employee resigns or is permanently laid off, his participation in the plan automatically terminates. He receives his own savings, but the extent to which he is entitled to an equity in the company's contributions—vesting rights—depends largely upon his years of participation in the plan. Table 6 indicates the variety of vesting practices in these companies. It will be noted that only one plan does not vest any of the employer's contributions in the terminating employee. But none provides for immediate vesting in the event of resignation or layoff. An unusual provision found in a plan that provides for full vesting after five years is that if the employee is discharged for cause, he forfeits his share of the company's contributions.

WITHDRAWALS

Even though the majority of plans have been adopted for the purpose of providing more financial security for employees when they retire, all fifteen of them permit employees to withdraw their savings.

Table 7: Vesting Rights in Event of Withdrawal from Plan

Share of Company Contribution	*No. of Companies*
None	1
Full share immediately	1
10% for each year of participation	2
5% for each year of participation	2[a]
30% after 5 years' participation	1
After 1 year, full share	1
After 3 years, full share	1
After 5 years, full share	2
After 5 years, 10% for each year of service up to 10 years	1
2.75% for each month of participation beginning with 3rd year	2
None, unless 5 shares of company stock have been purchased	1
Total	15

[a] In one company to maximum of 50%.

Five plans, however, require that if the employee decides to take out his savings, he must withdraw all his deposits. In the Ohio Oil Company, no partial withdrawals are permitted during the first five years of participation. But after five years, a member may withdraw up to 30% of the market value of his entire account without losing his vested right in the balance of the account. Since all partial withdrawals are paid in cash, the member directs the trustee to sell securities in his account to the extent necessary.

Most plans penalize the withdrawing member by requiring him to wait a stipulated period before he is eligible to resume his savings. This waiting period is most commonly set at one year. Two plans provide that if the participant withdraws he loses his continuity of participation and he must start in the plan as a new member.

There may be some temptation for the employee to withdraw in order to obtain possession of the company's contribution, if it is available to him. Table 7 shows that all but one of the plans provide for at least some vesting after participating for a specified period, while one gives full vesting immediately in the event of withdrawal from the plan. Most of these vesting provisions are on a graduated basis—the longer the period of participation, the larger the proportion of the employer's contributions the withdrawing employee will receive. Both the Ford and G.M. plans provide that vesting under the savings fund plan[1] starts with the first month of the third year of the current plan and is earned at the rate of 2.75% for each completed month thereafter. (Classes mature at the end of the fifth year.) This kind of vesting is unusual, as most of the plans count participation on a yearly basis (see Table 7).

If the employee leaves the company or if he withdraws from the plan before he is entitled to the company contributions allocated to his account, what happens to these forfeitures? The companies studied are evenly divided between those which reallocate these funds among the remaining participants and those which use them to reduce the company's contributions.

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[1] See page 180 for description.

Management Bookshelf

New Developments in Personnel Administration—The proceedings of the Seventh Annual Personnel Management Conference held at the University of Illinois. Addresses are included on "New Developments in Employee Communications," "New Uses of Psychology in Personnel Administration," "Current Thinking on Individual vs. Group Motivation," "Improvements in Union-Management Relationships," and "Trends in Retirement Planning for Personnel." *University of Illinois Bureau of Business Management, Urbana, Illinois, 1955, 88 pp. $1.50.*

Guiding Principles and Procedures for Industrial Nurses—This is reprinted from the *Journal of the American Medical Association* and replaces "Standing Orders for Nurses in Industry," published by the Council on Industrial Health of the American Medical Association. Extra space is provided throughout the section on procedures to allow for inserting preferred or alternative instructions by the physician in charge. *Single copies free, Council on Industrial Health, American Medical Association, 535 North Dearborn Street, Chicago 10, Illinois.*

Foreign Labor Information—A new series of pamphlets being published by BLS. One study, "Labor Conditions in the Soviet Union," includes data on collective agreements, settlement of labor disputes, hours of work, and criminal penalties for violations of labor discipline in the Soviet. A second study, "Legislation and Practices Relating to the Employment of Industrial Production Workers in Belgium, France, Italy, Portugal and Spain," was prepared in response to requests from businessmen and others concerned with the operation of United States firms abroad.

Separate reports on European and South American countries are scheduled for early release as part of the series. Based on ECA information, they will cover such topics as labor legislation, union activities and personnel practices in the individual countries. A monthly digest of important labor conditions in foreign countries will supplement the series. *Available free. Division of Foreign Labor Conditions, Bureau of Labor Statistics, United States Department of Labor, Washington 25, D. C.*

Significant Labor Statistics

Item	Unit	1956 March	1956 Feb.	1956 Jan.	1955 Dec.	1955 Nov.	1955 Oct.	1955 Sept.	Year Ago	Percentage Change: Latest Month over Previous Month	Percentage Change: Latest Month over Year Ago
Consumer Price Indexes											
All Items	1953 = 100	101.1	101.1	101.1	101.0	100.7	100.7	100.5	100.1	0	+1.0
Food	1953 = 100	97.0	97.3	97.5	97.9	98.0	98.6	98.5	98.4	−0.3	−1.4
Housing	1953 = 100	102.6	102.4	102.2	102.1	102.0	101.9	101.6	101.3	+0.2	+1.3
Apparel	1953 = 100	99.4	99.3	99.3	99.3	99.3	99.4	99.3	98.9	+0.1	+0.5
Transportation	1953 = 100	105.1	105.3	105.8	104.7	102.9	101.3	100.9	100.3	−0.2	+4.8
Sundries	1953 = 100	103.7	103.4	103.1	102.9	102.7	102.7	102.6	101.3	+0.3	+2.4
Purchasing Value of Dollar	1953 dollars	98.9	98.9	98.9	99.0	99.3	99.3	99.5	100.0	0	−1.1
(*BLS*) All Items	1947–1949 = 100	114.7	114.6	114.6	114.7	115.0	114.9	114.9	114.3	+0.1	+0.3
Employment Status[1]											
Civilian labor force	thousands	65,912	65,491	65,775	66,592	67,206	67,292	66,882	63,654	+0.6	+3.5
Employed	thousands	63,078	62,577	62,891	64,165	64,807	65,161	64,733	60,477	+0.8	+4.3
Agriculture	thousands	5,678	5,470	5,635	5,884	6,920	7,905	7,875	5,692	+3.8	−0.2
Nonagricultural industries	thousands	57,400	57,107	57,256	58,281	57,887	57,256	56,858	54,785	+0.5	+4.8
Unemployed	thousands	2,834	2,914	2,885	2,427	2,398	2,131	2,149	3,176	−2.7	−10.8
Wage Earners[2,3]											
Employees in nonagr'l establishm'nts	thousands	p 49,783	r 49,542	r 49,615	51,311	50,629	50,471	50,322	48,212	+0.5	+3.3
Manufacturing	thousands	p 16,807	r 16,821	r 16,842	17,026	17,049	16,999	16,915	16,201	−0.1	+3.7
Mining	thousands	p 749	r 748	747	754	754	751	758	739	+0.1	+1.4
Construction	thousands	p 2,316	r 2,252	r 2,267	2,422	2,580	2,685	2,748	2,255	+2.8	+2.7
Transportation and public utilities	thousands	p 4,109	r 4,083	r 4,089	4,165	4,143	4,127	4,152	3,966	+0.6	+3.6
Trade	thousands	p 10,804	r 10,741	r 10,833	11,753	11,126	10,909	10,824	10,408	+0.6	+3.8
Finance	thousands	p 2,249	r 2,227	r 2,214	2,219	2,213	2,216	2,223	2,150	+1.0	+4.6
Service	thousands	p 5,639	r 5,609	r 5,603	5,657	5,690	5,730	5,791	5,571	+0.5	+1.2
Government	thousands	p 7,110	r 7,061	7,020	7,315	7,074	7,054	6,911	6,922	+0.7	+2.7
Production and related workers in mfg. employment											
All manufacturing	thousands	p 13,199	r 13,229	r 13,272	13,464	13,498	13,446	13,373	12,778	−0.2	+3.3
Durable	thousands	p 7,679	r 7,703	r 7,758	7,847	7,839	7,729	7,623	7,375	−0.3	+4.1
Nondurable	thousands	p 5,520	5,526	r 5,514	5,617	5,659	5,717	5,750	5,403	−0.1	+2.2
Average weekly hours											
All manufacturing	number	p 40.3	r 40.5	40.6	41.3	41.2	41.1	40.9	40.6	−0.5	−0.7
Durable	number	p 40.8	r 41.0	41.2	41.9	41.9	41.7	41.5	41.4	−0.5	−1.4
Nondurable	number	p 39.5	39.8	39.8	40.4	40.3	40.3	40.2	39.7	−0.8	−0.5
Average hourly earnings											
All manufacturing	dollars	p 1.95	1.93	1.93	1.93	1.93	1.91	1.90	1.85	+1.0	+5.4
Durable	dollars	p 2.06	2.05	2.06	2.06	2.06	2.04	2.03	1.97	+0.5	+4.6
Nondurable	dollars	p 1.78	r 1.75	1.75	1.74	1.74	1.72	1.72	1.68	+1.7	+6.0
Average weekly earnings											
All manufacturing	dollars	p 78.59	r 78.17	78.36	79.71	79.52	78.50	77.71	75.11	+0.5	+4.6
Durable	dollars	p 84.05	r 84.05	84.87	86.31	86.31	85.07	84.25	81.56	0	+3.1
Nondurable	dollars	p 70.31	r 69.65	69.65	70.30	70.12	69.32	69.14	66.70	+0.9	+5.4
Straight time hourly earnings (estimated)											
All manufacturing	dollars	p 1.89	1.87	1.87	1.86	1.86	1.84	1.83	1.84	+1.1	+2.7
Durable	dollars	p 1.99	r 1.98	1.98	1.97	1.97	1.96	1.95	1.89	+0.5	+5.3
Nondurable	dollars	p 1.74	r 1.71	1.71	1.69	1.69	1.67	1.67	1.64	+1.8	+6.1
Turnover Rates in Manufacturing[2]											
Separations	per 100 employees	p 3.6	r 3.6	3.6	3.0	3.1	3.5	4.4	3.0	0	+20.0
Quits	per 100 employees	p 1.4	1.3	1.4	1.1	1.4	1.8	2.8	1.5	+7.7	−6.7
Discharges	per 100 employees	p 0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.2	0	+50.0
Layoffs	per 100 employees	p 1.6	r 1.8	1.7	1.4	1.2	1.1	1.1	1.3	−11.1	+23.1
Accessions	per 100 employees	p 3.1	r 3.1	3.3	2.5	3.3	4.1	4.4	3.6	0	−13.9

[1] Bureau of the Census.
[2] Bureau of Labor Statistics.
[3] The BLS has adjusted its nonfarm employment and hours and earnings series to first quarter 1954 benchmark levels. The benchmark level is the total count of workers covered in each industry, and in this instance the data were received from government social insurance programs. The adjustment affects all figures since January, 1951.

p Preliminary
na Not available.
r Revised

Wage Increases Maintained Above Last Year's Level

SALIENT FEATURES of the wage adjustments confirmed and tabulated by THE CONFERENCE BOARD during the mid-March to mid-April period are:

- Eight cents is again the average hourly increase. Although down slightly from the first quarter, this month's average is still above that for 1955.
- A third of the adjustments are the result of wage reopenings in long-term contracts.
- New contracts signed are primarily for one and two years' duration. Five of the forty-seven settlements reported have three- and five-year agreements.
- In the apparel industry, establishment of a severance pay fund is noted; and in the glass container industry, wages are increased by 8%.
- Equivalent increases to nonunion employees are reported in close to 20% of the adjustments.

The wage adjustment table beginning on page 184 takes on added significance when compared with the cumulative results of previous months. The tabulation below compares the average confirmed cents-per-hour wage increase for the first quarter of 1956 with the 1955 average and with the average for the month ending April 15. The extent to which these increases have fluctuated will be noted.

	Wage Increases in:		
	1955	1st Quarter 1956	Latest Month
Manufacturing	$ .068	$ .084	$ .080
Nonmanufacturing	.072	.083	.068
Total	.068	.084	.079

Although the table shows only cents-per-hour increases, since the beginning of the year industry-wide percentage increases have been granted in the petroleum, electrical machinery and glass industries. Petroleum's 6% increases translate into a minimum of 15 cents per hour, while the 3% increase in electrical machinery represents a range roughly between 5 and 10 cents. In the glass container industry, the 8% increase converts to cents-per-hour increases ranging from 11 to 16 cents. If these adjustments were included in the 1956 averages shown above, the net effect would be higher figures for the 1956 averages, with a resulting wider gap between them and the 1955 averages.

Apparel Industry

An interesting wage guarantee is seen in the agreement negotiated by the Infants' and Children's Coat Association, Inc., New York City, and Local 105 of the International Ladies' Garment Union. The agreement sets up an industry-wide severance pay fund into which employers will contribute 1% of payroll and .75% of the amount paid to contractors. Seeking to provide income protection for garment workers in the event that their employers cease operations or move to another locality, the fund provides for one week's wages to the laid-off worker for each year of employment. In addition, wage increases ranging from $2.50 to $4 per week are granted, and a two and one-half hour reduction in the workweek is established for shipping clerks. This reduces the workweek to thirty-five hours for all job classifications. The five-year pact, effective June 1, provides for reopening of wage discussions after three years.

Glass Industry

The Glass Container Manufacturers Institute, Inc., representing some thirty-five companies in the industry, negotiated an industry-wide settlement with the Glass Bottle Blowers Association, AFL-CIO, which increases base rates by 8% effective March 1. In terms of cents per hour, the increases range from 11 to 16 cents. These negotiations, which resulted from a wage reopening at the end of the second year of a three-year contract, were limited to base rates and premium rates on new equipment. About 5,000 employees are affected by the settlement.

Textile Industry

A settlement between S. Strook and Company and the Textile Workers, formerly CIO, boosts hourly rates by an average of 14 cents. Under the new provisions, day-rate employees receive an increase of 15 cents an hour, while incentive employees get a 12-cent hourly boost. New and liberalized fringe bene-

(Text continued on page 187)

Wage Adjustments Announced Prior to April 15, 1956

Company and Union(s)	No. and Type of Employees;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Apparel				
Hat Corporation of America South Norwalk, Conn.; New York, N. Y. *Millinery Workers; Hatters—both AFL-CIO*	1,200 WE Retroactive to 11-1-55 (signed 3-8-56)	Wages not an issue	3% to pension fund	Contract expires 3-31-57
Infants' and Children's Coats Association, Inc. New York City Area *ILGWU, AFL-CIO*	8,000 WE (approx.) 6-1-56 (signed 3-26-56)	5% ($2.50 to $4 per wk.)	Severance pay fund: Co. contributes 1% of inside shop payrolls, .75% on contractors' bills	Result of contract expiration. Contract term—5 yrs. Wage reopening after 3 yrs.
Electrical Machinery, Equipment and Supplies				
Allen B. DuMont Laboratories, Inc. Paterson, N. J. *IUE, AFL-CIO*	2,400 WE 3-4-56	3%	(1) Liberalized attendance bonus (2) Liberalized call-back and recall rights	Result of contract expiration. Contract term—2 yrs.
International Resistance Company Philadelphia, Pa. *No union*	500 S 4-1-56	$2.40 per wk.	9th pd. hol. 3rd day funeral leave pay	Tandem with IUE negotiated adjustment reported in April *Management Record*
Westinghouse Electric Corporation Interstate *IUE, AFL-CIO*	45,000 WE (approx.) 3-20-56	3%, add'l 3% 1956 and 1957, add'l. 3.5% 1958 and 1959	(1) Add'l. day's vacation for each yr. between 11 and 15 yrs. (2) Pension increased to $2 per mo. (from $1.70) for each yr. of service prior to 1-1-56 and to $2.15 after 1-1-56 (3) Normal retirement after 10 yrs.; revised early retirement provisions (4) Liberalized group ins. (5) 3 days' paid funeral leave (6) Cost of living provision	Result of contract expiration. Contract term—5 yrs.
Fabricated Metal Products				
The International Nickel Company, Inc. Huntington, W. Va. *Steelworkers, AFL-CIO*	1,600 WE 1-12-56	$.16 per hr. av. (range $.12 to $.23)	*n.a.*	Result of wage reopening. Contract expires 1-12-57
Stanley Works, Stanley Tool Division New Britain and Plantsville, Conn. *IAM, AFL-CIO—WE* *No union—S*	4,500 WE 1-2-56 1,000 S 12-12-55	6%—WE; equivalent—S	Catastrophe ins.	Result of contract expiration. Contract term—2 yrs.
Superior Plating, Inc. Minneapolis, Minn. *Teamsters, AFL-CIO*	200 WE 1-1-56	$4 per wk., add'l $.07 per hr. 1-1-57 and 1-1-58	Co. pays 66% of ins. 1-1-56, 83% 1-1-57, 100% 1-1-58. Benefits include $2,000 group life ins., $25 per wk. sickness and accident allowance and $12 per day hosp.	Result of contract expiration. Contract term—3 yrs.
Talon, Inc. Meadville, Pa. *Federal Labor Union, AFL-CIO*	1,600 WE 1-8-56	$.06 per hr., add'l. $.04 per hr. 1-7-57, add'l. $.02 per hr. 7-8-57	(1) Increased vacation pay for 15 yrs.' service (2) Revised pension plan (3) New health ins. plan	Result of contract expiration. Contract term—2 yrs.

Wage Adjustments Announced Prior to April 15, 1956—Continued

Company and Union(s)	No. and Type of Employees;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Food and Kindred Products				
General Foods Corporation Pocomoke City, Md. *Teamsters; Meat Cutters—both AFL-CIO*	697 WE 1-3-56	8.86% av.	*n.a.*	First contract. Contract term—1 yr.
Machinery (except Electrical)				
Ohio Gear Company Cleveland, Ohio *UAW, AFL-CIO—WE* *No union—S*	200 WE (approx) 3-5-56 *n.a.* S	$.07 per hr., add'l. $.06 per hr. 3-4-57—WE; $12.50 to $15 per mo.—S	(1) 1 add'l. pd. hol. (2 half hols.) (2) Expanded medical and surgical ins. (3) Special wage increase to 50 employees	Result of contract expiration. Contract term—2 yrs.
Ordnance and Accessories				
Fairchild Engine and Airplane Corp. Guided Missiles Division Copiague and Wyandanch, N. Y. *IAM, AFL-CIO*	550 WE 3-1-56	$.08 per hr., add'l. $.05 per hr. 3-1-57; $3 per wk.—office personnel	(1) 3 wks.' vacation after 12 yrs. instead of 15 yrs. (2) Improved ins. and hosp. (3) Pension plan (had been closed for 5 yrs.)	Result of contract expiration. Contract term—2 yrs.
Paper and Allied Products				
Berlin & Jones Company, Inc. New York, N. Y. *Paperworkers, AFL-CIO*	220 WE 1-1-56	$.05 per hr., add'l. $.025 per hr. 4-1-56	2 wks.' vacation after 2 yrs. instead of 3 yrs.	Result of contract expiration. Contract term—1 yr.
Dunn Paper Company Port Huron, Mich. *Paperworkers, AFL-CIO—WE* *No union—S*	107 WE 25 S Retroactive to 12-1-55 (signed 3-7-56)	$.06 per hr., add'l. $.03 per hr. 6-1-56, add'l. $.05 per hr. 12-1-56, add'l. $.02 per hr. 6-1-57—WE; $2.40 to $19.23 per wk.—S	(1) Company assumes cost of hosp. and accident ins. for employees (2) 4 wks.' vacation after 25 yrs. (3 wks.' time off plus extra wk.'s pay.)	Result of contract expiration. (6 days' work stoppage—WE) Contract term—2 yrs.
Petroleum and Coal Products				
Pure Oil Refinery Toledo, Ohio *Oil, Chemical and Atomic Workers, AFL-CIO*	500 WE 2-1-56	6% ($.15 per hr. min.)	Shift premiums increased to $.08 and $.16 per hr. from $.06 and $.12	Result of wage reopening. Contract expires 10-31-56
Richfield Oil Corp. Interstate *Oil, Chemical and Atomic Workers, AFL-CIO*	2,111 2-1-56	Same as above	Shift premiums increased	*n.a.*
Standard Oil Company of Indiana Whiting, Ind. *Petroleum Workers, ind.—WE; Research and Engineering Employees; Office Employees (both ind.)—S*	6,300 WE (petroleum) 690 S (research) 2-1-56 480 S (office) 9-27-55	6% ($.15 per hr. or $26 per mo. min.)	(1) Shift premiums increased to $.08 and $.16 per hr. from $.06 and $.12 (2) 3 wks.' vacation for 10 to 25 yrs.' service instead of 15 to 25 yrs.	Result of contract expiration. Contract term—1 yr.—(research). Result of wage reopening. Contract expires 1-31-57 (petroleum and office)
Union Oil Company of California Calif.; Seattle, Wash.; Honolulu, T.H. *Oil, Chemical and Atomic Workers; Teamsters; Operating Engineers—all AFL-CIO* *Maltha Employees Assn.; Petroleum Workers; Glacier Employees Assn.; Union Service Station Employees Assn.—all ind.*	3,700 2-1-56	Same as above	Same as (1) above for most localities and groups	Result of wage reopening based on change in prevailing wage picture
Printing, Publishing and Allied Industries				
Globe Democrat Publishing Company St. Louis, Mo. *Newspaper Guild, AFL-CIO*	500 S 1-1-56	$2 to $5 per wk.	(1) 4 wks.' vacation after 20 yrs. (2) Increased hosp. and medical ins.	Result of contract expiration. Contract term—2 yrs.

Wage Adjustments Announced Prior to April 15, 1956—Continued

Company and Union(s)	No. and Type of Employees;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Professional, Scientific and Controlling Instruments				
International Projector Corp. Bloomfield, N. J. *Electrical Workers, ind.*	300 WE 1-24-56	$.10 per hr., add'l. $.10 per hr. 1957 and 1958	12.5% shift premium to employees on night shift prior to strike; all others $.20 per hr.	Result of contract expiration. (6 mos.' work stoppage) Contract term—3 yrs.
Service				
New York Realty Advisory Board on Labor Relations New York, N. Y. *Building Service Employees, AFL-CIO*	13,000 WE (handymen, starters, assistant starters) 1-1-56	$.065 per hr.	(1) $1.7835 per hr. min. pay (2) 1½ times pay for Sat. and Sun. work	Result of wage reopening. Contract expires 12-31-56
	1,800 WE (cleaning women) 1-1-56	$.06 per hr.	$1.39 per hr. min. pay	Same as above
	700 WE (apt. house supts.) 1-1-56	$3 per wk., add'l. $4 per wk. 2-1-57	2 hrs. off on Election Day	Result of wage reopening. Contract expires 6-30-58
Stone, Clay and Glass Products				
Glass Container Manufacturers Institute, Inc. Interstate *Glass Bottle Blowers, AFL-CIO*	5,000 (approx.) WE 3-1-56	8%	None	Result of wage reopening. Contract expires 3-1-57
National Gypsum Company Shoals, Ind. *Cement, Lime and Gypsum Workers, AFL-CIO*	182 WE 11-28-55 (signed 1-18-56)	$.103 per hr.	(1) 6 pd. hols. (2) $.06 and $.09 shift premiums (3) 1½ times pay for 6th consecutive day worked, 2 times pay for 7th, 1½ times pay for Sun. and hols. worked (4) 1 wk.'s vacation after 1 yr., 2 wks. after 5 yrs., 3 wks. after 15 yrs. (5) Ins. plan 50% company paid	First contract. Contract term—14 mos.
Textile Mill Products				
Almardon Mills Lonsdale, R. I. *Textile Workers Union, AFL-CIO*	200 WE 2-10-56	Min. raised from $1.06 per hr. to $1.95	(1) Accidental death and dismemberment added to existent life ins. (2) Hosp. benefits increased to $10 from $8	First contract. Contract term—1 yr.
Chase Bag Company Dallas, Texas *Textile Workers Union, AFL-CIO*	90 WE 2-27-56	$.06 per hr.	(1) 3 wks.' vacation after 15 yrs. (2) Jury-duty pay	Result of wage reopening. Contract expires 4-18-58
S. Strook & Company Newburgh, N. Y. *Textile Workers Union, AFL-CIO*	240 WE 3-19-56	$.14325 per hr. av.	(1) Liberalized vacation pay (2) $500 group ins. to retired employees up to 72 yrs. of age, $250 ins. thereafter	Result of contract expiration. Contract term—1 yr.
Transportation Equipment				
Curtis-Wright Corporation, Propeller Div. Caldwell, N. J. *Engineers and Technicians (IAM); Office Employees—both AFL-CIO*	445 S 2-27-56 (IAM) 4-14-56 (Office Employees)	$.12 per hr. across the board; add'l. skill increments ranging from $.01 to $.04 per hr. for engineers and technicians and from $.01 to $.02 for office employees	None	Result of wage reopening

Wage Adjustments Announced Prior to April 15, 1956—Continued

Company and Union(s)	No. and Type of Employees;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Hiller Helicopter Palo Alto, Calif. *IAM, AFL-CIO—WE* *No union—S*	400 WE 400 S 1-1-56	$.10 per hr., general; plus classification adjustments—WE & S	(1) Liberalized vacations (2) Sick leave increased from 3 to 5 days after 1 yr. with provision for accumulation of unused sick leave up to 10 days	Result of contract expiration. Contract term—22 mos. Tandem adjustments for salaried employees
Mattatuck Manufacturing Co. Waterbury, Conn. *UAW, AFL-CIO*	385 WE 115 S 3-4-56	$.10 per hr.—WE & S	(1) Group life ins. increased $1,000 (2) Extended Blue Cross and Blue Shield (3) 3 wks.' vacation after 15 yrs. (4) 7th pd. hol. (5) Increased shift premium (6) Auto-type pension	Result of contract expiration. Contract term—2 yrs.
Studebaker-Packard Corp. South Bend, Ind. *UAW, AFL-CIO*	9,500 WE Retroactive to 9-1-55 (signed 1-12-56)	$.25 per hr. av.	(1) SUB plan (2) Revised pension and ins. plans (3) Add'l. pd. hol.	Result of contract expiration. Contract term—3 yrs.
Transportation				
The Short Line Inc. of Pennsylvania West Chester and Southeastern Pa.; Delaware *Trainmen, ind.; Transport Workers, AFL-CIO—WE* *No union—S*	75 WE 25 S 3-1-56	$.04 per hr., add'l. $.03 per hr. 9-1-56 and add'l. $.05 per hr., 3-1-57—WE; equivalent per cent increase—S	(1) 2 add'l. pd. hols., making total of 4 for Trainmen and 6 for Transport Workers—WE (2) 3 wks.' vacation after 10 yrs. instead of 15 yrs.—WE & S	Result of contract expiration. Contract term—2 yrs.—WE Tandem adjustment—S
Miscellaneous Manufacturing Industries				
Wallace & Sons Mfg. Co. Wallingford, Conn. *Jewelry Workers, AFL-CIO; Amalgamated Silverworkers*	1,000 WE 4-2-56	4% day rate; $.05 per hr. piece work	None	Result of wage reopening. Contract expires 2-17-57

*WE, wage earners; S, salaried personnel; *n.a.*, not available.
** Fringe benefits include all benefits received by workers at a cost to employers.

(Text continued from page 183)

fits include increased vacation pay and group insurance of up to $500 for retired employees.

Also in textiles, Chase Bag Company, in a wage reopening agreement, gave a 6-cent hourly raise to the Textile Workers, formerly CIO, in addition to improved vacation pay and jury-duty pay. And the Almardon Mills, Lonsdale, Rhode Island, in a first contract with the same union, raised minimum rates from $1.06 to $1.95 an hour and improved insurance and hospital benefits.

Fabricated Metal Products

The International Nickel Company, Inc., in a wage reopening agreement with the United Steelworkers, AFL-CIO, granted increases ranging from 12 cents to 23 cents and averaging 16 cents per hour. The settlement, effective at the end of the first year of a two-year contract, involves some 1,600 production and maintenance employees in Huntington, West Virginia.

In the agreement between Talon, Inc., and the Federal Labor Union, AFL-CIO, an immediate boost of 6 cents an hour was effected in addition to deferred payments of 4 cents in January, 1957, and 2 cents more the following July. Fringe benefits include a new health insurance plan, an improved pension plan, and increased vacation pay for employees with fifteen or more years of service.

Nonunion Employees

The tabulation of several tandem[1] increases sug-

[1] Tandem increases are those granted to nonunion, salaried employees in order to adjust their income to the wage increases bargained by unions.

gests that wage differentials are being maintained between union employees and nonunion salaried people. Of the seven adjustments containing information on salaried personnel, all cite the same or "equivalent" pay boosts as those given employees in the bargaining unit. The wide number of industries represented in the tandem adjustments would seem to indicate that the practice is fairly widespread. For example, in transportation equipment, Hiller Helicopter, Palo Alto, California, in granting an equivalent increase to 400 nonunion salaried employees, described the adjustment as an "equalizer" to the 10-cent hourly increase granted to the International Association of Machinists, AFL-CIO. And in electrical equipment, the International Resistance Company's adjustment of $2.40 per week for some 500 salaried employees is tandem to the company's settlement with the International Union of Electrical Workers, details of which were published in the April issue of the *Management Record*. In fabricated metals, the Stanley Tools Division of Stanley Works states that their nonunion salaried employees, numbering 1,000, received boosts "equivalent to 6%." The increase granted to Machinist union members at that company is 6%.

Fringe benefits continue to be widely reported, with pensions and insurance most prevalent. All but three of the adjustments indicate new or liberalized benefits, and in two of the confirmations, this information is omitted. A total of forty-seven settlements involving close to 60,000 employees are covered in the report.

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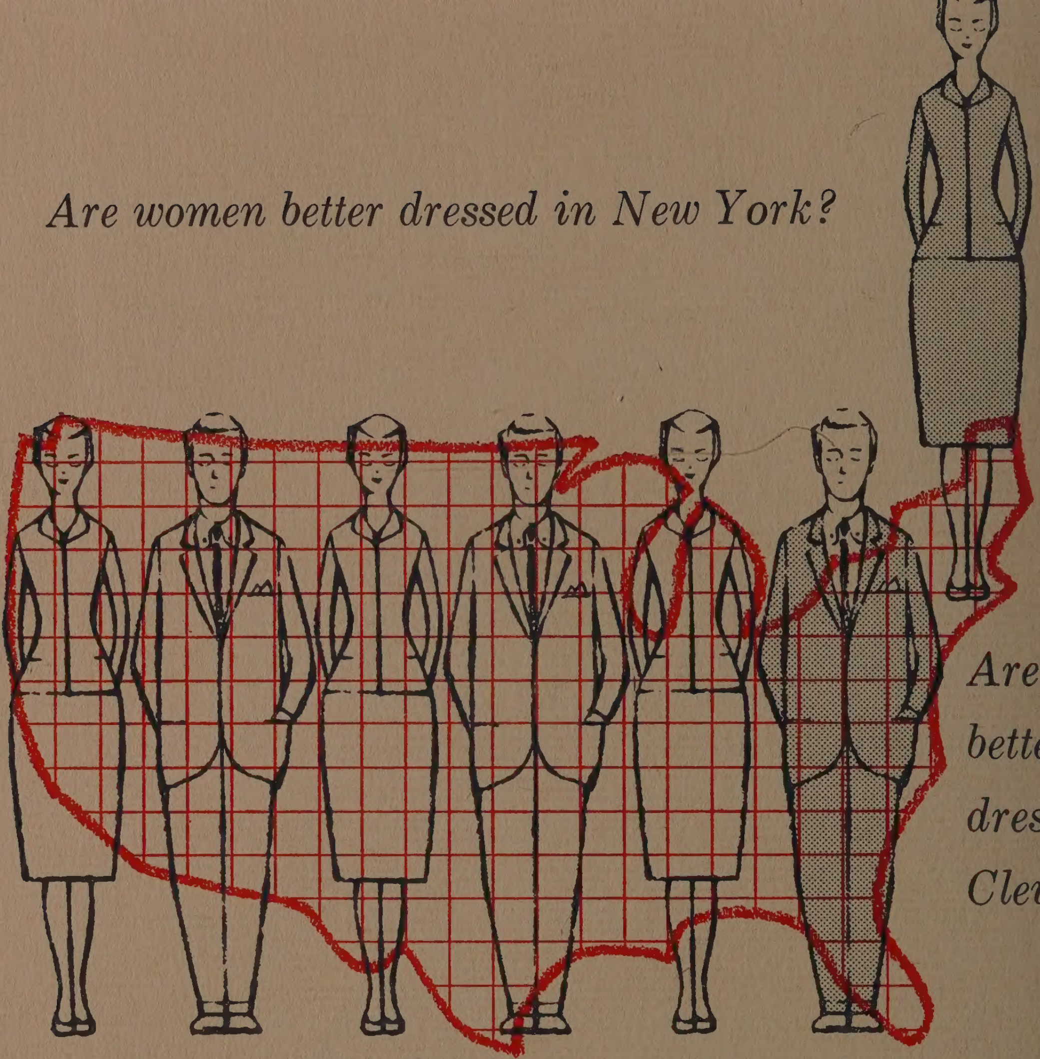
Are women better dressed in New York?



Are men better dressed in Cleveland

We're not saying they are, but the figures do indicate that more money is spent on men's clothing in Cleveland, while a high for women's clothing is registered in New York. These figures come from a chartbook prepared by The Conference Board—a "first" in its detailed treatment of family clothing expenditures.

In an age of facts and figures, states the Foreword, the dearth of definitive information on how the average family spends its income is surprising. With 65% of the nation's spending going for consumer goods and services, businessmen as well as the general public are asking more questions than ever before about the pattern of family expenditures.

This study should answer some of these questions. Taking ten cities, it tells through charts, tables, and text how much families spend for clothing and what items they buy. The forty-page chartbook, in color, will be sent to any Associate at his request. If you want a copy, ask for:

Family Expenditures for Clothing, ***Studies in Labor Statistics, No. 15***